FBIS DAILY REPORT

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ALFONSIN: IMF AGREEMENT POSSIBLE 'WITHIN 15 DAYS'

PY300046 Buenos Aires TELAM in Spanish 2320 GMT 29 Jun 84

[Text] Buenos Aires, 29 Jun (TELAM) -- President Raul Alfonsin today stated that if the IMF understands Argentina's stand, there should be an agreement with it within 15 days. Alfonsin added that in his opinion there should not be any basic disagreements between the positions of Argentina and the IMF. The Argentine chief executive made these remarks to the U.S. television station TVS in an interview that was released in the press room of Government House.

Alfonsin said: I believe that the IMF must understand our position, our goals. Naturally we will not lose out autonomy or independent judgment; we will act as a sovereign nation. He added that in this regard we have sent a letter of intent whose objective is naturally to reach an agreement and to show how great is the effort that Argentina is making at this time, while stipulating that we will not accept formulas capable of worsening our economic stagnation.

Alfonsin reiterated that Argentina has fully proven its desire to pay, to make an extraordinary effort to fulfill its commitments, and said that we are trying to fulfill obligations contracted by authoritarian governments. Argentina is one of the few countries in the world that has never unilaterally ended payments. We will honor this Argentine tradition through the efforts of our people. He stressed that it is because we want to pay and will pay that we reject recessionary policies; it is because we do want to pay that we strongly reject these interest hikes, which are heavy blows against the economies of all Latin American nations in general and Argentina's economy in particular.

He commented that we Argentines are prepared to make huge efforts to fulfill our obligations, but we cannot be asked to do so with the degree of austerity demanded of other countries which had been growing, developing, and had contracted debts to build up their assets. He added: This means that in order to pay our debt we must first work, which calls for a policy capable of increasing industrial employment through reactivation of demand and making full use of our industrial capacity. He went on to say that we also need exportable surpluses, for which our country must be able to work. This is what we want, this is what we are looking for: We want to pay and we do not believe that there is one single financier in the world who thinks that he can collect a debt if he does not let his debtor work.

Alfonsin emphasized that last year's deficit was approximately 16 percent of the GDP while this year it was less than 10 percent, and he indicated that this was an extraordinary success. Further on the same subject, Alfonsin added that we have reduced our Armed Forces expenditures by 40 percent and, in general, we are making noticeable savings in order to eliminate monetary expansion as a cause of inflation. He acknowledged that the entire deficit problem cannot be solved in one day and said that we can hardly have a budget surplus when we have to pay more than 5 percent of the GDP in interest alone -- and the interest has gone up 2 percent since this March, increasing the amount of interest payable by $800 or $900 million, which is more than what we get for our meat exports.

Alfonsin said that it is obvious that the salary increase we are proposing for our country is very small if we take into account the decline in the real salary in Argentina.

According to Alfonsin, the letter of intent will not be amended by the Argentine Government. He said: I don't believe that any country can seriously change its position once it has clarified it to an international organization.

Asked whether he expected the banks to accept the Argentine proposal, Alfonsin answered that an effort is being made to postpone the payment due on 30 June for 3 months. Argentina would pay $222 million [figure as received] and the banks would supply the remaining $125 million backed by the deposits Argentina has in the Federal Reserve Bank. He added: I believe that this is very important: No one will be hurt, the loans will benefit the banks, and we will demonstrate our will to do what we can.

The chief executive explained that we do not want to be hard negotiators, just firm and -- he repeated -- fulfill our obligations. Unfortunately, Alfonsin stressed, we realize, of course, that our world needs basic changes because the financial sector cannot be given privileges at the expense of production, not in one country, not in the entire world.

In Alfonsin's words, all debtors cannot be subject to the ups and downs of any nation's domestic policy which decrees -- according to the extent of the nation's deficit -- to bring in investments and deposits in dollars from all over the world, thus implementing some kind of topsy turvy Marshall Plan. He said that all this greatly jeopardizes the possibilities of economic development in countries affected by this decision, and difficulties increase even more if we take into account the restrictions levied on our exports.

He recalled that when Argentina implemented the so-called open economic policy, the economic experts of all the world powers applauded but did not reciprocate by opening their markets to us. We have opened our market, but we cannot sell our commodities in Europe or the United States, he said. He stressed that we must realize that the capacity of our country and of other developing countries to pay is closely tied to the chances we get to sell our goods.

Alfonsin said that it is remarkable how developing countries like ours, which have such severe problems as need, misery, and extreme poverty, are exporting money which helps solve the problems of more developed nations.

Asked whether the Argentine Government will survive if the IMF imposes its demands, Alfonsin answered that Argentina's democracy is here to stay, but in any case we will have to cope with extremely severe social problems which we ourselves are not willing to cause. He warned that extremely harsh economic policies create popular upheavals which lead to military rule; human rights are then violated and everyone rises in protest, but they do not realize that in the final analysis they have helped bring this about because at the crucial time they lacked the elementary solidarity to understand that our democracies must be supported.

Alfonsin said that as far as the foreign debt is concerned, we will need a grace period, and the same goes for interest, which must be compatible with the possibilities of our nations. It certainly must not be usury, that is, it should not be so high above the inflation rate in the United States.

He stressed that we need a new international economic order capable of leading to universal justice, and not discriminatory, because our trade is being continuously discriminated against. He commented that Europe has preferential agreements with countries in the Trilateral Commission to facilitate the supply of industrial inputs and sophisticated manufactured goods. It also has preferential agreements with the Mediterranean countries, it takes care of its southern neighbors, of Africa, and of the countries which used to be European colonies, but all European countries still discriminate against Latin America.

He indicated that the United States also poses problems for the marketing of our goods, and he believes that this is a fundamental aspect, just as he believes that we Latin Americans must work, not to set up a debtors club as has been suggested, but to defend ourselves from other countries which have realized that the best way to defend their interests is to work jointly on a regional level.

The chief executive indicated that the negotiation of the foreign debt is not only an economic but also a political issue, and he stressed that from the political viewpoint the issue is significant vis a vis continental security. He made it clear that even if an agreement is reached with the banks this very day, it will not end the crisis. He said that we must negotiate and continue our talks to have the IMF accept our letter of intent. In this regard he went on to say: After this is achieved, we will have to reach an agreement with all the banks and then go to the Paris Club to solve, step by step, the problems we have inherited. He stated that if we fail to reach an agreement, we have prepared several options and he made it clear that he will not, under any circumstances, say that his is a war situation.

GRINSPUN REPORTS AGREEMENT WITH CREDITORS

PY291855 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1716 GMT 29 Jun 84

[Text] Buenos Aires, 29 Jun (NA) -- Argentina has reached an agreement with its creditor bands to pay $225 million for interest which fell due on 31 March, and to have the remaining $125 million supplied by the 11 banks which make up the committee of creditors. This information was given by Economy Minister Bernardo Grinspun at the end of a meeting of the socioeconomic cabinet.

The above amount, and nearly $100 million paid last week, became due on 31 March and should be paid by Argentina no later than tomorrow.

Grinspun also announced that another 30-day extension has been obtained to repay a $100-million loan from the committee of banks and a $300-million loan from four Latin American countries for the rescue operation undertaken last March. Grinspun said that a $750-million payment for the bridge loan has also been postponed.

Explains Agreements

PY292242 Buenos Aires TELAM in Spanish 1956 GMT 29 Jun 84

[Text] Buenos Aires, 29 Jun (TELAM) -- Economy Minister Bernardo Grinspun today confirmed that U.S. private banks have sent a telex agreeing to the terms for the payment of $460 million [figure as received] worth of interest for the first quarter of this year. Grinspun also announced that the members of the socioeconomic cabinet will continue discussing salaries and utility rates next Tuesday, 3 July.

The impromptu press conference, held at noon today in the corridor of the fifth floor of the Economy Ministry, attracted a great deal of attention, and not only from local but also from foreign journalists.

Grinspun stated: "As you all know, the four Latin American countries (Brazil, Mexico, Colombia, and Venezuela) have extended the deadline of the $300-million rescue loan until the end of July." He went on to say that Argentina has used the $100 million that remained from the 30 March operation, and did not take it out of its reserves as has been claimed by a newspaper.

Grinspun said that to pay the interest Argentina will take $225 million out of its reserves and the creditor banks will supply the remaining $125 million payable in 45 days.

He also recalled that the payment of $750 million for the bridge loan which Argentina has received has been extended for another 90 days and that the repayment of the loan granted by the commercial banks on 30 March has also been extended for 90 days.

Grinspun reiterated that Argentina is currently negotiating on five different fronts and that one of them is the IMF, "where we have made some progress," although he admitted that there are still some technicalities to be dealt with.

He indicated that the Argentine authorities explained in Washington the details of Argentina's letter of intent to the IMF, and that they will continue these explanations next week in order to bring about a rapprochement between the positions of Argentina and the international banking organization.

Upon being asked by a British journalist whether an agreement will be reached with the IMF within 45 days, as the banks have demanded, Grinspun answered: "We are not going to accept these types of conditions; we will continue negotiating as appropriate, but without any conditions whatsoever."

REPORTAGE OF EVENTS REGARDING BOLIVIAN SITUATION

Government Issues Communique

PY301720 Buenos Aires TELAM in Spanish 1713 GMT 30 Jun 84

[Text] Buenos Aires, 30 Jun (TELAM) -- The Argentine Government has issued the following communique on the Bolivian situation:

"In view of the serious crime that the president of Bolivia, Hernan Siles Zuazo, has been subjected to, the Argentine Government wishes to express its most categorical repudiation of this deed and expresses its complete solidarity with the constitutional Government of Bolivia.

"The Argentine Government believes that only the full exercise of democracy and the strict support of the constitutional rules in force will help Bolivia overcome the socioeconomic problems it is presently confronting.

"Therefore, the Argentine Government wishes to urge all responsible Bolivian sectors to unite their efforts in defense of democracy and those constitutional principles that were won with so much sacrifice."

Caputo Diplomatic Activities

PY302235 Buenos Aires TELAM in Spanish 2212 GMT 30 Jun 84

[Text] Buenos Aires, 30 Jun (TELAM) -- It has been learned from sources close to San Martin Palace that Argentine Foreign Minister Dante Caputo is carrying out intensive diplomatic activities and he is in permanent contact with his Bolivian counterpart, Gustavo Fernandez Saavedra, in the wake of the situation created for the Argentine Government by the attempt to obtain asylum by six of the individuals involved in the kidnapping of Bolivian constitutional President Hernan Siles Zuazo. According to reports from abroad, this situation took place as a result of the negotiations carried out by the Bolivian Government with the kidnappers when the Bolivian head of state was released.

Other reports by foreign news agencies stated that the kidnappers reportedly intend to use the Argentine Embassy as a means to obtain asylum from the Paraguayan Government headed by General Alfredo Stroessner.

Foreign Ministry Communique

PY010101 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0048 GMT 1 Jul 84

[Text] Buenos Aires, 30 Jun (NA) -- The Foreign Ministry released the following communique at 2130 [0030 GMT]:

"Bolivian President Hernan Siles Zuazo, in the company of the under secretary for foreign affairs and six armed civilians, arrived at the residence of the Argentine charge d'affaires in Bolivia at 1550 [1850 GMT] today 30 June and asked the Argentine representative, and therefore his government, to give shelter to the six persons who were in his company until a final decision was made regarding them, which would be addressed to the charge d'affaires through the Foreign Ministry.

"The six Bolivian citizens handed over their weapons in the residence and were given shelter there awaiting further instructions."

Caputo Agrees to Asylum Request

PY011552 Buenos Aires TELAM in Spanish 1537 GMT 1 Jul 84

[Text] Buenos Aires, 1 Jul (TELAM) -- Argentine Foreign Minister Dante Caputo said at noon today that the situation of the persons in the Argentine Embassy in La Paz, Bolivia, after having attempted to overthrow the country's constitutional government, is yet to be clarified. Upon leaving the metropolitan cathedral in Buenos Aires where he attended the mass held to commemorate the Day of the Pope, Caputo said: We agreed to give shelter to the six members of the Bolivian Armed Forces [as received] in response to a request from President Hernan Siles Zuazo, who came with them to the embassy.

In his talk to the journalists, Caputo said that apparently these six persons had a direct role in the kidnapping of President Siles Zuazo, who gave them some sort of protection and took them to the Argentine Embassy.

Ministry Preparing Safe-Conducts

PY012220 Buenos Aires TELAM in Spanish 2208 GMT 1 Jul 84

[Text] Buenos Aires, 1 Jul (TELAM) -- The Argentine Foreign Ministry this afternoon reported that preparations are being made to issue the appropriate safe-conducts to allow the six individuals who are staying at the residence of the Argentine ambassador in La Paz to leave the country.

The information said that negotiations are being held to allow these individuals to go to a third country, which could be Paraguay.

The official report said that the decision to issue the safe-conduct was announced yesterday by President Hernan Siles Zuazo.

Bolivian Border Calm

PY301631 Buenos Aires TELAM in Spanish 1328 GMT 30 Jun 84

[Text] San Salvador de Jujuy, 30 Jun (TELAM) -- Questioned by a TELAM correspondent in view of the detention of Bolivian President Hernan Siles Zuazo, Javier Gonzalez, the officer on duty of the National Gendarmerie 21st Squadron, stated that there is absolute calm on the Argentine-Bolivian border. The officer added that Jujuy Province has approximately 400 km of border with Bolivia and has only one official checkpoint located in Quiaca, 33 km from the provincial capital.

Gonzalez played over the telephone to TELAM's branch office a news report transmitted by Radio Illimani confirming the detention of President Siles Zuazo in predawn hours today by military forces and the fact that he had been taken to a unidentified military unit.

According to Gonzalez, the top officers of this unit will be called to a meeting at any moment to adopt security measures after prior consultation with the highest ranking officers of the organization.

CAPUTO REASSERTS FALKLANDS SOVEREIGNTY CLAIMS

PY291918 Buenos Aires Domestic Service in Spanish 1600 GMT 29 Jun 84

[Text] Regarding a recent statement made by the UK foreign secretary, Argentine Foreign Minister Dante Caputo today said the following: No responsible and serious negotiation with the United Kingdom can exclude the Malvinas sovereignty issue. What else are we going to negotiate but the issue on which we disagree? The issue in dispute is precisely that of sovereignty; therefore, this situation is completely clear. Any discussion with the United Kingdom means that Argentina will put forth its sovereignty claims over the islands. It cannot be otherwise, since this is the heart of the issue, the reason for the tension [between the two countries] and, therefore, for the conflict itself.

BRITISH MP'S CONTINUE FALKLANDS ISSUE EFFORTS

Meet CGT Leaders

PY290333 Buenos Aires BUENOS AIRES HERALD in English 28 Jun 84 p 11

[Text] (DYN) -- Three British parliamentarians yesterday suggested an international body should be in charge of granting permits for fishing operations in waters surrounding the Malvinas islands to avoid depredation of the South Atlantic fishing resources, labour sources said. The sources quoted Labour Mr Geroge Foulkes, Conservative Cyril Townsend, and Lord Wayland Kennet, a spokesman for the Social Democrats in the House of Lords, as saying the idea that the United Nations Food and Agriculture Organization or some such body issue the permits would be acceptable to both sides.

In Buenos Aires on an unofficial visit to try to improve relations between London and Buenos Aires, the MP's made the suggestions during talks with leaders of the General Labour Confederation (CGT) who described the idea as reasonable, the sources said. Since the 1982 Malvinas war London has issued permits to Soviet, Japanese, Polish, and Spanish factory ships to operate in the exclusion zone Britain established around the archipelago but refused similar permits to Argentine trawlers. According to the sources the British parliamentarians described the exclusion zone as a "mistake which harms Argentine fishing interests."

Representing the CGT were members of the body's international relations Enrique Venturini, Manuel Diz Rey and Alberto Maguid, replacing top leaders of the labour centre who at the time were holding talks with President Raul Alfonsin. The sources quoted Lord Kennet as saying he was not sure how current public opinion stood in Britain on the question of recognizing Argentine sovereignty over the Malvinas. He also said the islanders were not very sure about Argentine democracy and wanted to avoid problems in the future. He said Alfonsin's government should formally declare a cessation of hostilities although he admitted the cessation existed in fact.

UCR Deputies Praise Visit

PY290344 Buenos Aires DYN in Spanish 2328 GMT 28 Jun 84

[Text] Buenos Aires, 28 Jun (DYN) -- Six national deputies of the Radical Civic Union (UCR) on 28 June signed a declaration on the visit which British MP's made to Argentina. They described this visit as a "gesture of goodwill" which helps to further the dialogue between the two nations to resolve the Malvinas conflict "without neglecting the sovereignty issue."

The declaration signed by Radical Deputies Guillermo Sarquis, Bernardo Salduna, Carlos Gonzalez Pastor, Osvaldo Camisar, Miguel Khoury, and Oscar Caferri, states: "We hail the unofficial visit which members of the British Parliament have made to Argentina and express our gratitutde for this gesture of goodwill which helps to further dialogue between the two nations to resolve the more-than-century-old conflict over the Malvinas Island and other archipelagos of the South Atlantic.

"This discerning attitude of the British visitors is in keeping with Argentina's improved international image thanks to its dawning democracy and foreign policy based on the peaceful solution of international conflicts and the principle of equality of nations. The resumption of an open, realistic, and clarifying dialogue that would not neglect the uppermost issue of sovereignty will help to resume direct talks launched in 1965 under the administration of President Arturo Illia, in response to Resolution 2065 of the United Nations."

Press Conference Disrupted

PY300259 Buenos Aires TELAM in Spanish 0202 GMT 30 Jun 84

[Excerpts] Buenos Aires, 29 Jun (TELAM) -- The three British MP's who are visiting our country today said at an agitated press conference held at the Plaza Hotel in this capital that they considered that their talks and discussions with their Argentine colleagues could be termed positive.

The press conference, which was disorderly owing to the presence of persons not connected with the press, was also harassed by a group of young people carrying anti-British slogans in the neighborhood of San Martin Plaza.

Reading from prepared statements, the British MP's said that they believe they have used their time constructively because they have been able to restore the links between the democratically elected politicians of our two countries. They said that they believe that we mutually acknowledge that it will take time to resolve some of the serious matters dividing us.

The British MP's made it clear that the Malvinas fortification is exclusively for defense purposes, that the islands are not a NATO base, and that nuclear weapons have never been and never will be emplaced on the islands.

It was when the dialogue with the journalists began that verbal insults were shouted by some of those participating and which ended with some punches being thrown at the MP's and eggs being hurled at them.

A high-ranking Federal Police officer who was in attendance admonished everyone to calm down, but the chat with the press was again disrupted when a person who said he was a guest at the hotel invited everyone to have coffee, but said that everyone would have to pay for his own because he had used all his money in paying for the hotel. In the midst of this disturbed atmosphere, some questions were put to the MP's who answered with statements such as the subject of sovereignty had become frozen after the war.

'Foulkes Plan' Proposed

PY020215 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0030 GMT 2 Jul 84

[Text] Buenos Aires, 1 Jul (NA) -- British MP George Foulkes will propose to the Foreign Office and the British Parliament a three-phase plan -- which he drafted during his recent visit to Argentina -- to open Argentine-British negotiations on the Malvinas conflict. This plan is designed to obtain "acceptance of an 'open agenda' which would include every aspect dealing with subsequent talks about the 'future of both the island and the islanders.'"

The plan, which was exclusively disclosed to NOTICIAS ARGENTINAS, proposes "one or more goodwill gestures" by Great Britain as a first step toward reestablishing diplomatic relations between the two countries. The plan drafted by the British Labour MP includes three possible goodwill gestures Great Britain could take "as the winner of the war":

"1. Waiving of the requirement of visas for Argentine citizens who would like to visit Great Britain.

"2. Expediting of steps for allowing relatives of Argentine soldiers who fell in the war to visit the graves of these soldiers on the islands.

"3. Acceptance of having fishing in the South Atlantic submitted to international supervision so that Argentine fishermen may regain their right to fish in the area without having to ask for British authorization."

For the second phase, Foulkes proposes a "mutual agreement" between Argentina and Great Britain "to put an end to the obstacle involving a declaration of cessation of hostilities."

During their visit to Argentina, the three British MP's [George Foulkes, Cyril Townsend, and Lord Wayland Kennet] time and again noted that the most conflictive issues which have prevented the two countries from reaching an agreement are the cessation of hostilities and the sovereignty dispute.

To solve the cessation of hostilities issue, the "Foulkes plan" proposes "simultaneous mutual agreements whereby Argentina would commit itself to declaring the cessation of hostilities and to reaffirming its decision to never again resort to force; Great Britain, for its part, would commit itself to lifting the 150-mile exclusion zone it has established around the islands." Finally, the "Foulkes plan" proposes the starting of "actual negotiations" with a prior agreement between the two parties to replace the term "sovereignty" with an equivalent formula. This formula would be included in the "subsequent talks about the future of both the islands and the islanders."

GOVERNMENT SUPPORTS STEPS TO HALT ARMY UNREST

PY011730 Buenos Aires BUENOS AIRES HERALD in English 1 Jul 84 p 17

[Text] (NA) -- The government has pledged its support for the Army in any measures to solve the unrest caused at the War College by the arrest last week of two captains on the orders of a civilian judge investigating alleged human rights violations, a ranking government source said yesterday. The administration will also uphold officers' right to contend having obeyed orders during the former military regime's so-called "dirty war" against subversion, he said.

Court rulings will be "scrupulously" observed in all human rights violations cases, the source said, emphasizing that "the military and civilians alike must understand this once and for all." "We spent over four months gathering information on anti-subversive fighting and everyone will have to take responsibility for the orders he signed. We have also assumed the political cost of the Military Code of Justice reforms, and this legislation will be applied," he said.

The source admitted there was widespread unrest at the War College when a Cordoba judge arrested two captains and said the problem was being solved by launching an Army investigation into the human rights violations. The reformed code of justice establishes military jurisdiction over all past offences by servicemen, but also allows for appeals to civilian courts. The source said the Army, Navy and Air Force chiefs of staff would get full government support and denied rumors that one of them was about to be replaced.

ADM AROSA: NO UNREST, ONLY WAGE CONCERNS IN NAVY

PY011720 Buenos Aires BUENOS AIRES HERALD in English 30 Jun 84 p 7

[Text] (NA) -- Navy Chief of Staff Rear Admiral Ramon Arosa yesterday denied there was any unrest in the Navy but said there was some concern about wages which were below general levels. After a graduation ceremony of naval pilots from other Latin American countries at the Punta Indio base, Arosa told newsmen there was no truth in press reports about unrest over violation of human rights charges and the restructuring of the Armed Forces by the government. "Relations between the commands, the defence ministry, and the government are clear and there are only momentary problems, but there is no unrest in the Navy," he said.

On the pay question he said, "I am the most concerned about them, including about my own wages. Military salaries have dropped behind in relation to the rest of society but we are seeking solutions."

REPORTAGE ON SILES KIDNAPPING, AFTERMATH

Abductors' Demands

PY301303 Paris AFP in Spanish 1250 GMT 30 Jun 84

[Text] La Paz, 30 Jun (AFP) -- It was said here today that Colonel Rolando Saraiva is reportedly the leader of the plotters who kidnapped President Hernan Siles Zuazo early this morning. The first reports say that the kidnappers have demanded that the president sign a new general military posting order or, if he refuses to do so, to call together the Congress in order to elect a new president.

Fernandez Acting President

PA301505 Madrid EFE in Spanish 1419 GMT 30 Jun 84

[Text] La Paz, 30 Jun (EFE) -- Bolivian Foreign Minister Gustavo Fernandez has been designated acting president of the country in view of the absence of President Hernan Siles Zuazo, who has been kidnapped. The president was taken by force from his presidential residence by a group of military men and policemen and, in view of the absence of Vice President Jaime Paz Zamora, who is in Lisbon participating in an international conference on democratization in Latin America, it was resolved to designate Fernandez as provisional president. In his first government measure today, Fernandez ordered an urgent meeting of the ministerial commission and the High Military Command to begin an exhaustive investigation to determine the whereabouts of President Siles Zuazo.

Cochabamba Military School Reaction

PY301357 La Paz Radio Panamericana in Spanish 1305 GMT 30 Jun 84

[Report from Cochabamba]

[Text] The reports from La Paz that the president has been kidnapped have caused immediate reactions here. The top officials of this departmental capital at once contacted La Paz to obtain information. The political leaders of the various parties making up the Democratic and Popular Unity also took action and gathered in the office of the [name indistinct] theater in order to make some decisions, about which there has not been any report so far.

The leaders of the Labor Federation and other organizations have also gathered in order to obtain information. We can report that all of them stressed that they will defend the democratic process of the country. We are now reporting from the premises of the Command and Staff School whose superior officers have expressed that they are also on the side of the democratic process. The chief of studies, Colonel (Jorge Moreira), stated the following to Radio Panamericana:

[Begin (Moreira) recording] We have received the report that the president has been kidnapped.

The Command and Staff School, its commanders, officers, and officer-students have released the following communique to the public in order to clarify a few points:

We vehemently repudiate the attitude assumed by some coupist groups in La Paz city and we demand that they immediately release his excellency the president, who is the captain general of the Armed Forces of the nation, and restore him to his functions. As of this moment, the Command and Staff School declares itself in a state of emergency in defense of the legally instituted democratic process. [end recording]

This was the statement made by the chief of studies, Col (Jorge Moreira), reported from Cochabamba by Radio Panamericana.

Police Deny Involvement

PY301417 La Paz Cadena Panamericana in Spanish 1349 GMT 30 Jun 84

[Text] The public relations office of the Bolivian Police Department wishes to make the following statement in view of the reports being spread by the various channels of the media in our capital. Colonel (Luis Casis) good morning.

[Begin (Casis) recording] Good morning: We would like to inform citizens, through this prestigious radio station, that the Bolivian police firmly support the political Constitution and the democratic process, and that it is completely false that members of the unit, which you have called the Leopards unit, are engaged. We are trying to evaluate and investigate that report and please rest assured that the Bolivian police are ready to comply with any order given by the constitutional government. [end recording]

[Unidentified reporter] Colonel (Casis), does this mean that the Bolivian police deny any responsibility in the kidnapping of the president of the Republic?

[Begin (Casis) recording] [Word indistinct] has mobilized all its members of the security, investigation, and even traffic departments in order to search for the president of the Republic. [end recording]

Armed Forces Command Communique

PY301539 La Paz Radio Illimani Network in Spanish 1520 GMT 30 Jun 84

[Text] In view of this morning's events, the Armed Forces commander will read the communique drafted at the general headquarters.

The high military command informs the Bolivian people that the captain general of the Republic and constitutional president of the Republic, Hernan Siles Zuazo, was kidnapped today, Saturday [30 June], in the predawn hours from the San Jorge presidential residence.

In view of this unprecendented deed, the military commander hereby states:

1. Its complete repudiation against this attack against the constitutional president of the Republic.

2. The Armed Forces express their categorical support for the Constitution, the democratic process established on 10 October 1982 and the constitutional President and Captain General of the Armed Forces Hernan Siles Zuazo.

3. The large and small Army, Air Force, and Navy units have been declared in a state of emergency and their troops have been called to their barracks to enforce the constitutional regime that guarantees the peaceful coexistence of the Bolivian people.

4. In order that the Bolivian people may rest assured, I urge national organizations, national opinion, and particularly the mass media, to contribute to social peace and security by rejecting any speculations that is aimed to confuse citizens and alter the constitutional regime guaranteed by the Armed Forces, signed by the High Command.

Campos Identified as Leader

PA301648 Hamburg DPA in Spanish 1545 GMT 30 Jun 84

[Excerpts] La Paz, 30 Jun (DPA) -- Army Lieutenant Celso Campos Pinto, member of President Siles Zuazo's security corps, was identified today as the leader of the kidnappers of the Bolivian president.

Defense Minister Manuel Cardenas Mallo said at a press conference that Lt Pinto led 60 men wearing olive drab uniforms who occupied the presidential residence this morning and kidnapped the chief of state.

Cardenas Mallo said that the armed men took the president from his home, forced him to get in a red 'jeep' and drove him to the southern part of the city. However, the whereabouts of the president and his captors are not known. The Bolivian defense minister confirmed that Colonel Rolando Saravia was implicated in the destabilization of the democratic process.

Cardenas added that in view of concrete evidence about the participation of Army Col Rolando Saravia in coupist actions, he ordered the officer be placed at the disposal of the High Military Command for whatever proceedings it deems necessary. He added that he does not know the whereabouts of Col Saravia. The High Military Command was present during the press conference held in the government palace.

Finally, the Bolivian Armed Forces have called on the people to remain calm and serene to guarantee the social peace of this Andean country.

Kidnappers Disperse

PY301617 Paris AFP in Spanish 1600 GMT 30 Jun 84

[Text] La Paz, 30 Jun (AFP) -- Housing and Urban Affairs Minister Guillermo Capobianco stated today that President Siles Zuazo's kidnappers have dispersed. He confirmed that Colonel Edgar Prudencio, second in command of the Bolivian police, sought asylum at the Brazilian Embassy, but that the embassy closed its doors to him. Capobianco added that it has been confirmed that only a fraction of the police have taken part in the latest events. It was established that the president was kidnapped with the use of M-30 carbines which are especially issued to the Bolivian police.

Siles Released

PY301925 La Paz Cadena Panamericana in Spanish 1917 GMT 30 Jun 84

[Report from Miraflores neighborhood in La Paz]

[Text] At 1915 GMT we were officially informed that President Hernan Siles Zuazo has been released in good health, according to first reports issued by General Simon Sejas Toledoya and by other high-ranking military commanders present here a few minutes ago. Exactly 1 minute ago, the president left here in a Toyota station wagon along with several other persons. The car sped off, but security forces cheered and shouted: There is the president, the president is alive. This is the latest report we have for Panamericana listeners.

Kidnappers at Venezuelan Embassy

PY011417 Paris AFP in Spanish 1405 GMT 1 Jul 84

[Text] La Paz, 1 Jul (AFP) -- The Argentine Embassy in La Paz today reported that it will not grant political asulum to the six civilian paramilitarymen who yesterday kidnapped and held for 10 hours Bolivian President Hernan Siles Zuazo. The men in question are Aurelio Ortiz Garcia, Justo Ordonez Montano, Marco Antonio Linares, Mario Botelo Arana, Rene Delgado Carretero and Marcelino Luna Sotomayor, whose background is not pubicly known. According to available informatoin, these persons have been transferred to the Venezuelan Embassy whose government has yet to decide whether to grant them political asylum.

It has been explained that the paramilitarymen, together with police officers German Linares, Pablo Vargas Aranda, Rafael Varbas Barrientos, Carlos Barriga Montano and Army Lieutenant Celso Campos Pinto, who were already at the Venezuelan Embassy, will remain there for humanitarian reasons until President Jaime Lusinchi's administration decides whether to grant them political asylum.

Oil Workers Strike

PY301907 La Paz Radio Illimani Network in Spanish 1834 GMT 30 Jun 84

[Oil Workers Union Federation communique issued 30 June]

[Text] In view of the attack against the constitutional president of the Republic and the crushing of the Constitution by drug traffickers, the Bolivian Oil Workers Union Federation declares an indefinite general strike as of today until the president is released and assumes his duties at Government House. The Bolivian oil workers unions must immediately assume their historic responsibility.

Signed by the Bolivian Oil Workers Union Federation: (Oscar Pinero), (German Barrasa), Tomas Cabrera, (Neftali Mendoza) (Alberto Soto), Damian Chavez and (Julio Arce Torrico).

Siles Arrives at Government Palace

PY301950 La Paz Radio Illimani Network in Spanish 1930 GMT 30 Jun 84

[Text] The president of the Republic is now arriving at Government Palace amid strong security both inside and outside the palace. The president is now getting out of the vehicle. A crowd of people has gathered at the palace to greet the president. He extends his hands to thank them for their support. Several other persons have gathered at the palace, especially members of the press who are waiting for the arrival of the president to receive some information on the situation to explain to the world what happened here in Bolivia.

The president of the Republic is now entering the Government Palace after having spent 10 hours in the hands of his kidnappers, who took him to a house in Miraflores. [shouts heard in the background] [applause]

President Siles Zuazo is accompanied by an officer of the Bolivian police and another of the Armed Forces. He is now walking up the stairs leading to the palace. The kidnapping took place at 0500 local time by a command of 60 officers of the Bolivian Police. It was reported that 20 officers are inside the Venezuelan Embassy, along with four of the Carabineros and two officers of the Army. Four or five officers were holding the president in the zone of Miraflores. The president has now entered his office at Government Palace, where a delegation of congressmen and ministers of state are gathered. Reporters from different countries are also waiting.

Cancels Press Conference

PY302015 La Paz Radio Network in Spanish 1959 GMT 30 Jun 84

[Report from Government Palace]

[Excerpts] [In progress...] the president of the Republic was going to give a press conference but due to his exhausted state and the circumstances which he had faced over the past few hours it has been canceled. For this reason, the president and his official entourage are currently withdrawing to his private office. We will return with our report from Government Palace at any time to provide more information on this almost 10-hour incident that has had worldwide repercussions and has shocked the people.

Speaks, Departs for Villa

PY302125 La Paz Cadena Panamericana in Spanish 2019 GMT 30 Jun 84

[Report by Omar Velazquez]

[Text] We must report that exactly 7 minutes ago the president of the Republic left Government Palace for the presidential villa. The president left through the garage, leaving in his car. Before this, he had stood on one of the balconies of Government Palace to address the crowd that was shouting "United People Will Never Be Defeated."

The president of the Republic addressed the crowd at Plaza Murillo with tears in his eyes.

Furthermore, the president said the following inside Government Palace:

[Begin Siles recording] [in progress...] this incident has not only been a proof of national and revolutionary unity but also of revolutionary fraternity amidst circumstances in which [word indistinct] forces, underestimating the possibilities of the Bolivian people in this difficult moment of our history, tried to create destabilizing conditions.

The outcome of the kidnapping, which took place yesterday [as heard], has been totally positive. We must maintain this unbreakable unity and continue to be alert and vigilant so that the revolutionary process will live up to the expectations of the government and the government will live up to the expectations of the people. [applause]

We cannot allow such an anguishing situation as the one which started at midnight, or at dawn yesterday [as heard], to take place again the the future. However, we do not want to act [word indistinct] nor punish [words indistinct] without justification those people who have [words indistinct] stop being mercenaries of their own brothers.

When one is strong, one can be powerful, [words indistinct] in this regard. Hence, all the people who were hired (?by the Army itself) [words indistinct] taken refuge at the Argentine Embassy.

There is a possibility that the authors and people responsible for this tragic incident are not of our own blood [words indistinct] of the public administration and in different levels of the Bolivian society [words indistinct].

As president I will get deeply involved with the Bolivian people, with the representatives of the Bolivian Labor Federation, the Single Federation of Peasant Workers, the political parties, and the university students. We are going to meet with them to set up a government program which, on the basis of the national plan which is about to be approved by the government, will establish the economic and social development of the forthcoming years. This could become a 4-year plan to guarantee the democratic stability of the country and the tranquility of the Bolivian people who are tired of speculation, corruption, coup, and insecurity. This has to come to an end. [applause]

All the people have acted together. It is worth pointing out the actions of the Armed Forces [applause] which the day before yesterday and yesterday went through a test. They passed that test by backing up the national Constitution and its main participants: the Bolivian people. [applause] [end recording]

These were the remarks of President Hernan Siles Zuazo during a speech delivered to his ministers, members of the Democratic and Popular Unity, and the people who were inside the Government Palace.

We should also mention that the president was found thanks to the arrest of a person in the Government Palace who is reportedly an employee of TASA [expansion unknown] who was allegedly working with the kidnappers. As a result of the interrogation of this man, the approximate whereabouts of the president were discovered. Once it was learned that the president was not in a particular area, the search continued in an area near a coffee processing plant. At that time during the search a shot was heard, presumably from one of the kidnappers who was very nervous.

This is when military and police units went to the site of the firing, finding the president.

Later the president left in a vehicle of the Ingavi Fourth Cavalry Regiment with the kidnappers inside the vehicle in addition to an Army officer who was riding as some kind of guarantee. The vehicle first went to the Plaza Espana because the kidnappers wanted to ask for asylum in the Venezuelan Embassy but when the vehicle arrived in Plaza Espana they were surprised to find that Army units had practically taken over the park, including the Venezuelan Embassy.

The vehicle then went on, without any other vehicle following it due to expressed instructions from the president because his life was in danger, to the residence of the Argentine Embassy where the kidnappers got out. The kidnappers, presumably four, may be Uruguayans or Paraguayans according to reports from the people who participated in the rescue operation of the president. The kidnappers asked for asylum in the residence of the Argentine Embassy. They are there now. The president then went to the Government Palace.

Further on Release

PY302030 Madrid EFE in Spanish 2009 GMT 30 Jun 84

[Text] La Paz, 30 Jun (EFE) -- Today Bolivian President Hernan Siles Zuazo was released after being kidnapped for almost 10 hours. Siles Zuazo immediately came to his office in the Government Palace where he was cheered by thousands of Bolivians who since early this morning were standing around the Plaza Murillo waiting for news about the president. According to government officials the president's release took place after an intensive military and police dragnet operation conducted through various areas of the capital.

EFE was able to see that Siles Zuazo is in good physical condition, other than being a bit tired. The president's release took place in the midst of an intense shootout in the southeast of this capital. There was no report of dead or wounded.

However, four of the kidnappers demanded that they be granted diplomatic asylum in an embassy before releasing Siles Zuazo and they even threatened to explode a grenade in order to kill the chief of state.

Finally, the four kidnappers were taken to the Argentine Embassy where they asked for diplomatic asylum. According to sources of the security organizations, an Army officer is included among the kidnappers, although they refused to identify him. Contradictory reports indicate that the kidnappers could be foreign assassins paid to kidnap the president. The dragnet was intensified at noon when credible reports were received on the whereabouts of the president.

This unusual kidnapping of the president shocked the national and international public, and there was fear of the existence of a coup d'etat, which was discarded in view of the democratic position of the Armed Forces.

Siles Zuazo is now at Government Palace with the ministers of state and members of his party, and he will explain to the press the manner in which he was kidnapped. The president was found by Army and police members but not released by his captors until their demand to be taken to an embassy was finally agreed to by Siles Zuazo.

Palace Returns to 'Normal'

PY302100 La Paz Radio Panamericana in Spanish 2045 GMT 30 Jun 84

[Text] Daniel Alarcon, our colleague, will conclude his day's work with this message from Government Palace.

[Begin recording] Practically everything has returned to normal here at Government Palace, because the ministers and the other authorities who were staying at Government House have now left, although some are still making some separate consultations. But what is true is that we can already see facial expressions quite different from what we saw this morning, when concern, anxiety, and nervousness prevailed, while now the faces are again showing smiles and satisfaction with the conclusion of this unfortunate event in which President Hernan Siles Zuazo was held for some 9 hours. [end recording]

COB Communique, Strike Postponed

PY010001 La Paz Radio Illimani Network in Spanish 2230 GMT 30 Jun 84

[Text] The Bolivian Labor Federation [COB] has postponed the indefinite general strike until next Wednesday, 4 July. This labor organization also called on workers to carry out marches next Monday, 2 July in repudiation of the coup. COB member Noel Vazquez is going to read the document approved by the COB Executive Committee.

[Begin Vazquez recording] (?In view of the) kidnapping of the president early this morning the COB states:

1. Its conviction that the kidnapping has political connotations linked to the imminent coup against the democratic process which the COB had already announced.

2. In view of this situation the Executive Committee decided that the 0000 1 July deadline to hold a strike if the COB-government agreement was not fulfilled by the government be postponed until Wednesday, 4 July.

3. The COB has ordered that on Monday, 2 July, the workers and the Bolivian people carry out massive marches in repudiation of the coup and in all out support for the democratic process. The marches will be carried out by the departmental and regional labor organizations in the interior of the country. In La Paz the COB will be in charge of organizing the march with the presence of miners from the mines close to the city and the peasant unions.

4. We believe that the time has come for the national government to adopt measures to dismantle the coup organizations of the country, breaking up the paramilitary groups which are creating commotion with criminal acts against the country.

5. Now more than ever the workers must become the firm defenders of the democratic process. The government has been given a deadline to favorably decide on the pending demands of the workers and offer in this manner a strong front against the coup. La Paz. 30 June 1984. COB [end recording]

Kidnapping 'Part of Plot'

PY011327 Paris AFP in Spanish 1245 GMT 1 Jul 84

[By Andres Solis Rada]

[Text] La Paz, 1 Jul (AFP) -- Deputy Interior Minister Gustavo Sanchez Salazar told AFP today that the kidnapping of Bolivian President Hernan Siles Zuazo was part of a plot to oust the government and that high-ranking police officers and politicians were involved.

This is the official conclusion of the tense and anxious hours experienced yesterday when the president was abducted for 10 hours, then released under spectacular circumstances and later received by an enthusiastic crowd at Plaza Murillo where Government Palace is located. Sanchez Salazar, who described the plotters of the kidnapping as professional coupists, noted that authorities had confiscated arms, ammunition, bombs and military uniforms in several raids, and he confirmed the arrest of several persons whom he refused to identify so as not to harm the investigations under way. He identified the kidnappers as Lt Colonel German Linares, the commander of the Leopards police unit which is trained in the struggle against drug trafficking; Police Captain Pablo Vargas Aranda, Police Captain Carlos Barriga Montano; and Police Captain Rafael Vargas Barrientos.

The deputy interior minister, who said that the kidnappers used an Interior Ministry jeep to abduct the president, added that also involved in the conspiracy were Lt Colonel Edgar Prudencio, the Bolivian police deputy commander who is presently in hiding because his request to seek asylum at the Brazilian Embassy was rejected; Army Captain Luis Ardaya, the chief of Vice President Jaime Paz Zamora's aides and Lieutenant Celso Campos Pinto, who has sought asylum at the Venezuelan Embassy. Leaders of the ruling Democratic and Popular Unity (UDP) government have identified Colonel Rolando Saravia, former agriculture minister during General David Padilla Arancibia's administration, former commander of the Ingavi Regiment and present chief of the Defense Ministry's territorial planning department, as the brains of the conspiracy.

This information has been expanded by Defense Minister Manuel Cardenas Mallo, who said that 60 Leopards dressed in olive green uniforms had participated in the operation. Those who sought asylum at the Venezuelan Embassy are police officers German Linares, Pablo Vargas Aranda, Rafael Vargas Barrientos, Carlos Barriga Montano and Lieutenant Campos Pinto.

According to official reports, Lieutenant Campos Pinto, once he had been granted asylum at the Venezuelan Embassy, revealed the place where the chief executive was held and this facilitated the latter's rescue. The paramilitary civilians who were holding Siles Zuazo have sought asylum at the Argentine Embassy. Their names are Aurelio Ortiz Garcia, Justo Ordonez Montano, Marco Antonio Linares, Mario Botelo Arana, Rene Delgado Carretero, and Marcelino Luna Sotomayor. The president has said that the government should be generous and allow the perpetrators of the kidnapping to leave the country, but at the same time be inflexible with those who had masterminded the deed, some of whom are entrenched in the public administration. So far, the whereabouts of Colonel Rolando Saravia, alleged leader of the conspiracy to oust the government, are unknown. No connections between Colonel Rolando Saravia and drug trafficking have been pointed out.

Perpetrators Discuss Events

PY011503 La Paz Cadena Panamericana in Spanish 1425 GMT 1 Jul 84

[From the morning press review program]

[Excerpt] Another report published in the newspaper PRESENCIA which has extensive coverage [of President Siles Zuazo's kidnapping] reads: The kidnappers stated: A coup was supposed to take place. [Words indistinct] in two paragraphs:

While they were still at the house where they held the president hostage, the kidnappers told PRESENCIA that a coup was supposed to take place and that they do not know the persons who had instructed them to carry out the kidnapping. This information was reported by PRESENCIA photographer (Roman Cordero). Speaking very nervously, the kidnappers noted: We do not know. They only gave us their nicknames. We are only six people. What are we going to do? They will have to give us some kind of evidence. They added that they have no steady jobs, that they are in business [dedicados al negocio]; one of us worked with the miners police; they have betrayed us; another worked for the road repair service. They also said that they were prepared for everything and that this is why they fired the shots. They said: We were prepared for anything, even to kill ourselves and to kill the president. We are seeking asylum. We did not have an arms cache and we were not in any condition to carry out a kidnapping. We were only in the room. We did not know anything; there are only six of us.

When they announced that they were going to drop their guns, they noted that all of them were from La Paz. They added: We are from La Paz. We did this out of necessity. They did not pay us (?because they did not have to). They told us this was a job, and we had to do it, because we are not politicians, none of us are. Yesterday afternoon, they told us that there was a job to be done, but they did not specify what sort of job it was. No, we do not know who they were, they only mentioned their nicknames such as (Leo), (Patu), (Choco). They did not give us their names, nothing. They were civilians, they were not in military uniform. They were civilians.

This is the summary, and this is followed by other contradictory statements regarding the conversation that (Roman Cordero) had with the kidnappers. (Roman Cordero) was virtually the only one who could talk with them inside the house [where the president was being held hostage].

Objectives 'Unclear'

PY012315 Paris AFP in Spanish 2239 GMT 1 Jul 84

[ext] La Paz, 1 Jul (AFP) -- Interior Minister Federico Alvarez Plata stated here today that the objectives sought by the kidnappers of President Hernan Siles Zuazo are still unclear and that many questions still remain unanswered. The kidnapping took place yesterday at 0530 local time (0930 GMT) and ended 10 hours later with the release of the president and with his kidnappers seeking asylum at a foreign embassy.

Alvarez Plata said: It looks like the commando group which kidnapped the president sought to obtain the resignation of the president to force a change of government. Yet we cannot confirm this because the instigators of the kidnapping, Colonel Rolando Saravia and Major Luis Ardaya, have not issued any statement explaining their intentions. Thus far, the minister said, the whereabouts of these two officers are not known.

Alvarez Plata also said that he could not reveal the number of detainees or their testimonies so as not to undermine the investigations. He noted, however, that the life of the president was in serious danger since for 10 hours he had been in the hands of paramilitary individuals who could have killed him.

He finally admitted that some illegal raids, such as that of the residence of former Campesino Affairs Minister Rene Bernal Escalante, had taken place in recent hours due to the nervous, tense situation. He gave assurances that this will not happen again. He also confirmed that the kidnappers of the president have sought refuge at the Venezuelan Embassy [as received] and that Venezuela is considering the possibility of granting them political asylum.

Siles Suffers Broken Rib

PY020015 Buenos Aires TELAM in Spanish 2349 GMT 1 Jul 84

[Excerpts] La Paz, 1 Jul (TELAM-ANSA) -- Interior Ministry Under Secretary Gustavo Sanchez has reported that President Hernan Siles Zuazo had a rib broken during the 10-hour period that he was held hostage. Sanchez also announced the detention of Alfredo Arce Carpio, former interior minister during the administration of General Hugo Banzer, who is allegedly involved in a coup plot which was reportedly the ultimate objective of the kidnapping of President Siles Zuazo.

Sanchez reported this afternoon that the president was complaining of pains in his chest and was taken to the Obrero Hospital for X rays, which showed that he had a cracked rib and that, therefore, the doctor ordered him to rest for 5 days.

This shows that the kidnappers used violence against the president, Sanchez said. He noted, however, that he did not know whether the president was injured during the kidnapping or at the house where he was found yesterday afternoon. Sanchez gave no further details as to numbers or names of those arrested in order not to undermine the investigations. Semiofficial sources have noted, however, that over 1,000 have been arrested throughout the entire country.

Paz Zamora Returns

PY011808 Madrid EFE in Spanish 1522 GMT 1 Jul 84

[Excerpts] Caracas, 1 Jul (EFE) -- Bolivian Vice President Jaime Paz Zamora, who was in Lisbon when President Hernan Siles Zuazo was kidnapped in La Paz, is flying back home. The Bolivian vice president arrived in Caracas in the predawn hours this morning on board a regular flight from Lisbon, and after meeting with Venezuelan President Jaime Lusinchi at the Maiquetia Airport, he continued his trip to La Paz on the Venezuelan presidential plane.

During the cordial meeting at Caracas airport, Lusinchi and Paz Zamora discussed the critical political situation which Bolivia experienced on Saturday, 30 June, as a result of President Siles Zuazo's kidnapping, and the role which the Venezuelan Government played in the prompt finding and release of the Bolivian chief executive.

Shortly after being released from the hands of the group which had held him for 10 hours on 30 June, the Bolivian president spoke on the telephone with his Venezuelan counterpart, Lusinchi, who had called him from Caracas. During this conversation, Siles Zuazo extended to Lusinchi his personal gratitude and that of his government for the proper attitude and cooperation of the Venezuelan Government, which was considered crucial for the solution of the dramatic kidnapping.

The Venezuelan repudiation of the kidnappers and the actions of the Venezuelan Foreign ministry jointly with the Venezuelan Embassy in La Paz and the Bolivian Embassy in Caracas played a large role in the finding of President Siles Zuazo and his release free of harm.

According to the Bolivian ambassador in Caracas, the release of his country's president was facilitated by the information supplied by one of the leaders of the aborted coup who had requested asylum at the Venezuelan Embassy.

From La Paz [the Venezuelan Embassy] reported to Caracas that the kidnapped president was probably being held at a house in the Miraflores neighborhood, between Estados Unidos and Honduras Streets. This piece of information, relayed by telephone from Caracas to the Bolivian Government, led to the joint Army and police operation which pinpointed the house where Siles Zuazo was being held.

Discusses Aide's Involvement

PY011838 Paris AFP in Spanish 1805 GMT 1 Jul 84

[Text] La Paz, 1 Jul (AFP) -- Spanish Prime Minister Felipe Gonzalez will visit Bolivia on 6 August, Bolivian independence day, as a gesture of support for the victory of democracy in this country which yesterday was shocked by the 10-hour kidnapping of President Hernan Siles Zuazo. Vice President Jaime Paz Zamora made this announcement at noon today upon arriving from Venezuela on a plane loaned to him by Venezuelan President Jaime Lusinchi. Paz Zamora commented that Gonzalez' visit could take place jointly with a meeting of chiefs of Latin American and European states in Bolivia -- a gesture of support for the constitutional government.

In remarks to the press, Paz Zamora acknowledged that the head of his aides de camp, Major Luis Ardaya, has participated in Siles Zuazo's thwarted kidnapping. As head of the vice presidential aides de camp, Major Ardaya was invited to travel to Buenos Aires and Europe but at the time of departure he did not show up, Paz Zamora said. He added that Gary Prado Salmon, commander of the 8th Army Division headquartered in Santa Cruz, was apprised of this situation.

Paz Zamora, who arrived with a personal envoy of the Venezuelan president who is carrying a letter for Siles Zuazo, stated that the president's release has strengthened the national democratic process.

PDS LEADER DEFENDS FIGUEIREDO'S DECISION

PY290347 Porto Alegre Radio Guaiba in Portugese 2150 GMT 28 Jun 84

[Text] Brasilia -- Nelson Marchezan, PDS [Social Democratic Party] leader in the Chamber of Deputies, stated today that on withdrawing his amendment bill from Congress President Figueiredo acted in legitimate defense of the amendment because of the danger of distorting the objective of the proposal.

Marchezan stated that the was informed last night about the decision by Civilian Household Chief Leitao de Abreu. He denied that he wanted to resign from leadership of his party, and added that he is proud of having maintained even the punctuation of the understandings achieved. He added that the withdrawal of the amendment does not affect the opposition or the PDS as mush as it affects Congress, because it had an opportunity to solve a crisis and did not.

CENTRAL BANK OFFICIAL DISCUSSES DEBT TALKS

PY301818 Rio de Janeiro JORNAL DO BRASIL in Portugese 29 Jun 84 p 17

[Excerpt] Jose Carlos Madeira Serrano, director of the Central Bank Foreign Affairs Department, yesterday stated that Brazil will negotiate the refinancing of its foreign debt, which is due in 1985, but only in November 1984. He said that the country has cash on hand and that it is not being forced to again sit at the negotiating table with its creditors.

Madeira Serrano said that the country is now "stronger than ever, with growing international reserves -- more than $3 billion -- because of the high surplus in the trade balance and because of its gold production (currently 60 tons yearly). The government is, therefore, playing the observer, watching the progress of negotiations of the other debtor countries, particularly Argentina, to set a plan for November. He stated: "In November we are going to try to obtain the lowest rate possible, or even a fixed rate, that is, within a given bracket to be negotiated. We are also going to try to obtain the opening of the international market to our exports. But we have not yet adopted any plan because we are going to watch events in the international financial system, whether in the field of the renegotiation of the debts of the Latin American countries or concerning world trade."

According to Madeira Serrano, the remarks U.S. Ambassador to Brazil Diego Asencio made on Tuesday concerning the new position of the U.S. Treasury Department regarding the establishment of new deadlines for the payment of Latin American debts were very positive for Brazil. Madeira Serrano does not believe, however, that the acceptance by the U.S. Treasury of the proposal to capitalize interest is vital for the country in renegotiating its foreign debt. According to him, it is absolutely the same solution to obtain automatically capitalized interests, either partially or totally, or to achieve a new long-term loan -- a jumbo loan to cope with the debt problem. The only difference, he said, is that the automatic capitalization of interests is not as painful as the negotiation of a new jumbo loan. What is most important, he stated, is to obtain interest rates much lower than those on the market, even fixed ones, so that the country will be able to cope with the foreign debt burden.

IMF WAIVER FOR UNMET TARGETS TO BE REQUESTED

PY291425 Rio de Janeiro O GLOBO in Portugese 28 Jun 84 p 27

[Text] Brasilia -- In August, when an IMF technical mission comes to Brazil to discuss the economic targets for this year's last quarter, the government will ask the IMF for a new waiver (relinquishment from obligation to meet economic policy targets). This information was provided by a Planning Ministry official. The new waiver will be asked for not meeting the target for the current public deficit (the debts of the state enterprises and the central administration plus monetary and exchange corrections) up to 30 June. The waiver request will include the overrun of the monetary base (primary issuance of money) which grew 28.3 percent, well above the stipulated 7.3-percent target, as well as the overshooting of the money supply (demand deposits plus money in the hands of the public). Although monetary base and money supply are considered to be "performance indexes" (not essential ones for the IMF), noncompliance with them requires explanation. The last letter of intent sent to the IMF last March established a ceiling of 23.75 trillion cruzerios for the current public deficit up to 30 June. Although no definitive data are available, preliminary estimates place the current public deficit at 24.5 trillion cruzeiros.

In the waiver request, the government will contend that the public deficit overrun is due to an inflation which surpassed initial predictions, despite the adoption of all the rigorous measures of monetary and fiscal policy recommended by the IMF except for the removal of what subsides. The Brazilian authorities will also demonstrate that the target of operational public deficit (excluding monetary and exchange corrections, that is, inflation over the period involved) was met by a wide margin, as was the liquid internal credit (private enterprise obligations with the Central Bank and Bank of Brazil minus international reserves). The amount of excess regarding the liquid internal credit was more than 800 billion cruzeiros. As for the noncompliance with the monetary supply target, the main justification will be the unforeseen increase of foreign reserves. The government estimates that foreign reserves will surpass the initial target by $1 billion. This excess of foreign reserves was followed by an increase in issuance of money (by an amount corresponding to the dollars converted into cruzeiros) which interfered with the control of the monetary supply.

Bank Chief Denies Waiver Request

PY292342 Sao Paulo O ESTADO DE SAO PAULO in Portugese 29 Jun 84 p 22

[Text] Central Bank President Celso Pastore yesterday flatly denies the possibility that Brazil will submit a new request for a waiver to the IMF for deviations from the targets established in the Brazilian economy for operational public deficit, liquid internal credit, balance of payments, and foreign indebtedness. Talking to journalists, Pastore said: "I do not know how you got the idea of a waiver. There is no need for a waiver right now." Despite information provided by banking experts, the Central Bank president tried to deny deviations from the ceilings imposed by the IMF for the primary economic indicators. He said: "How do you know that those targets are not going to be fulfilled? I am not going to say what I know about this subject, and this is something you do not know. When we get the results, we will talk about it."

Even a deviation from the monetary expansion target does not justify a request for a waiver. According to experts at the Central Bank, when the IMF mission visits Brazil will not ask for a waiver but will start negotiations for the preparation of the sixth letter of intent to the IMF to establish the corrected ceilings for the third quarter and the targets for the last quarter of this year.

PINOCHET RULES OUT ELECTIONS UNTIL 1989

PY292108 Madrid EFE in Spanish 0453 GMT 29 Jun 84

[Text] Santiago, 28 Jun (EFE) -- Chilean President General Augusto Pinochet has said that his presidential term will last until 1989. In an exclusive interview published today in the weekly COSAS, Gen Pinochet said that "we, the Armed Forces, are a serious institution and will not back down on our words. This presidential term will end in 1989."

Gen Pinochet, who defined the Chilean Government as an "authoritarian democracy," said in the interview that the Communist Party "has no reason to coexist in a democracy. I have said this since I took over." He added: "Communists are totalitarian. their doctrine is different from ours, and they use their rhetoric to deceive ingenuous people. They claim to be democratic, but they are totalitarian."

In response to a question by COSAS publisher Monica Comandari about the law against abuses in the press, which has been strongly criticized by journalists, Pinochet said that the law "is not aimed at preventing the flow of information but at protecting people from affronts."

Comandari then asked Pinochet if he was referring to himself and to the land he bought in the El Melocoton area, to which Pinochet replied: "El Melocoton has been discussed to the hilt. Let's use the president's time for things that are of actual interest to our country. In addition, such charges are so absurd and so contemptible that the people realize they are part of a political maneuver."

Pinochet also categorically ruled out the possibility that new generations of Armed Forces members may adopt political positions of their own, adding that the Armed Forces and the security forces will not split, because they are solidly united in the struggle against communism.

Concerning General Leigh, a former government junta member who charged that Pinochet is remaining in power because of his own personal ambition, the Chilean president replied that "Gen Leigh mistakes personal ambition for the decision of the people, who elected me for the presidential term that I am fulfilling in keeping with the Constitution."

Concerning the Chilean image abroad, the president said that "all the Marxist-infiltrated mass media began an intense campaign on 11 September 1973, and anti-Chilean actions have been under way since then." Pinochet explained that "Russia is resorting to all means to restore its intervention in Chile, and it will continue to resort to all available means to reestablish its rule in our country." Pinochet said: "I believe that the government over which I am presiding is democratic and that this is a democratic country. But the Russians are trying to make it look like a dictatorship."

Gen Pinochet gave assurances that the country is on the road toward full democracy, and that there will be no presidential elections before 1989, no matter what the opposition says.

VATICAN SUMMONS HEADS OF BEAGLE DELEGATION

PY291830 Santiago Domestic Service in Spanish 1730 GMT 29 Jun 84

[Report from the Foreign Ministry by reporter (Hugo Reyes)]

[Text] The Chilean representatives to the mediation talks have been summoned to the Vatican. Ambassadors Ernesto Videla and Santiago Benadava will return to Rome tomorrow, since they have been summoned by the papal mediator.

Both Videla and Benadava have been in Santiago carrying out consultations and informing government officials about the Beagle mediation negotiations. Videla has stated to the press that we hope this is over once and for all. This has been a very long process and it is time to get it over with.

He added: We hope we will see something specific in Rome. We have already publicly expressed our goodwill, but we hope that this will materialize in agreements in Rome.

LAW AGAINST TOTALITARIAN DOCTRINES STUDIED

PY290432 Santiago Radio Cooperativa in Spanish 1615 GMT 27 Jun 84

[Excerpts] The Interior Ministry has appointed a commission that will study the law announced by Minister Sergio Onofre Jarpa. This law is based on the old law for the defense of democracy, which is also designed to prevent the activity of the Communist Party of Chile. This announcement has been made by Minister Secretary General Alfonso Marquez de la Plata, who said that the law announced by Minister Jarpa is based on Article 8 of the Constitution, which prohibits the activity of organizations that promote totalitarian doctrines.

Minister Marquez talked with the press at the end of a meeting the head of state held with the Cabinet and during which the copper situation, the results of the Cartagena meeting, and the internal situation of the country were discussed.

As regards the domestic situation, Minister Marquez said:

[Begin Marquez recroding] The country's internal situation is absolutely normal despite the fact that extremist groups continue to try to make the country look as if it is confronting a chaotic situation. However, it is clear, and we analyzed this during the meeting, that more and more people are repudiating actions by communist terrorist groups, and that support and sympathy for these groups is waning. [end recording]

Asked about the statements made in Spain by Gabriel Valdes, president of the Chilean Christian Democratic Party, to the effect that the Democratic Alliance would talk with the Armed Forces provided that the subject of a prompt return to democracy was discussed, Marques de la Plata said:

[Begin Marquez recording] I believe that opposition groups are losing support because they have failed to adopt a position regarding Marxism. I thank they are trying to deceive the government with their calls. It is my belief that this is another sign of their weakness and of their internal problems. You saw recently that the internal elections held by these groups were won by the moderate sectors, that is, by sectors whose positions regarding the Communist Party are clearer than others. I think this is what is is affecting them. [end recording]

AUTHORIZATION REQUIRED FOR MEETINGS IN VALPARAISO

PY302257 Madrid EFE in Spanish 1712 GMT 30 Jun 84

[Text] Santiago, 30 Jun (EFE) -- The Command of the Emergency State Zone of the Chilean port of Valparaiso ordered today that "any meeting of a political nature must have prior authorization." A proclamation issued by that command states that "those interested persons or organizations must submit their respective applications no less than 5 days in advance."

The Valparaiso Military Command, 100 km west of Santiago, stated that "union organizations maintain the absolute freedom they enjoy within the legal framework, but their meetings must be held in the places indicated to that effect."

MITTERRAND PROPOSES SUBSIDY FOR DEBTOR NATIONS

PA020332 Madrid EFE in Spanish 0215 GMT 1 Jul 84

[Text] Bogota, 30 Jun (EFE) -- The president of France, Francois Mitterrand, has proposed the creation of a supplementary subsidy for developing nations with external debt problems. This proposal to grant to those countries a subsidy of $15 billion in coordinated loans by the IMF was announced by President Mitterrand in a message to his Colombian counterpart, Belisario Betancur. The letter, made public in Bogota today, was a reply to the message Betancur sent to the leaders at the "London summit," and in it Mitterrand says that the seven nations that attended admitted that the separate estimates made of each case should be contained in a common analysis. Mitterrand affirmed that it is necessary to conduct an international financial reform, within a world monetary conference, for which "I invited the IMF's acting committee to meet in Paris next spring." Referring to the external debt of the developing nations, the French president's message indicated that more decisive action must be adopted to resolve the debt crisis, in which the matter of interest rates is most important, as recognized by the representatives of the industrialized nations that attended the London meeting.

BETANCUR CRITICIZES INDUSTRIALIZED COUNTRIES

PA010404 Bogota Cadena Radial Super in Spanish 0000 GMT 30 Jun 84

[Text] Bogota -- Colombian President Belisario Betancur has criticized the industrialized countries' attitude toward the Latin American countries, which are facing a difficult economic situation. He also reiterated his government's intention to seek domestic and international peace. Blinded by the economic exploitation of our countries, the powerful countries feel no solidarity toward Latin America, which is trying to defend itself and consolidate the institutions that can help it progress, President Betancur said today during the Sacred Heart religious ceremony in this capital. These were Betancur's first statements on Latin America's foreign debt as a result of the interest rate increase approved by U.S. banks and after the Consensus of Cartagena, which was signed last week by 11 countries of the region in Cartagena. Foreign Minister Rodrigo Lloreda and Finance Minister Edgar Gutierrez Castro also criticized the interest rate increase and demanded joint action from Latin American countries in view of the attitude assumed by U.S. private financing institutions.

FURTHER REPORT ON NEW CABINET MINISTERS

PA291732 Hamburg DPA in Spanish 1430 GMT 29 Jun 84

[Excerpts] Bogota, 29 Jun (DPA) -- Colombian President Belisario Betancur has appointed 7 new ministers as he reorganizes his cabinet composed of 13 ministers. The new ministers will accompany him for the next 25 months until the 4-year term of his constitutional government ends on 7 August 1986. The new cabinet consists of:

Government Minister (Interior) Jaime Castro (Liberal Party)

Foreign Affairs Minister Augusto Ramirez Ocampo (Conservative Party)

Finance and Public Credit Minister Roberto Junguito Bonnet (Conservative Party)

Mines and Energy Minister Alvaro Leyva Duran (Conservative Party)

Public Health Minister Amoury Garcia Burgos (Conversative Party)

Labor and Social Welfare Minister Oscar Salazar Chavez (Liberal Party)

Economic and Development Minister Ivan Duque Escobar (Liberal Party)

Justice Minister Enrique Parejo Gonzalez (Liberal Party) ratified in his position.

Agriculture Minister Gustavo Castro Guerrero (Liberal Party) ratified in his position.

National Education Minister Doris Eder de Zambrano (Liberal Party) ratified in her position.

Public Works and Transportation Minister Hernan Beltz Peralta (Conservative Party) ratified in his position.

Communications Minister Nohemi Sanin (Conservative Party) ratified in her position.

Defense Minister General Gustavo Matamoros D'Acosta ratified in his position.

The national convention of the Conservative Party has been announced for 6 July. On that occasion the members of the ruling party will review the country's situation and will shuffle the names of candidates for the position of presidential-designate, which in Colombia is equivalent to the vice president of the Republic. Former Foreign Minister Rodrigo Lloreda Caicedo has wide support of his party colleagues for this position. Lloreda Caicedo must face J. Emilio Valderrama, the current Colombian ambassador to Spain, in this race. Valderrama has also expressed a desire to become the presidential-designate. The National Congress, which will begin regular sessions on 20 July, will be in charge of selecting the presidential-designate.

MINISTER DENIES CONFLICT WITH ARMED FORCES

PA291731 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 28 Jun 84

[Text] Government Minister Alfonso Gomez Gomez has affirmed that there is unity in the national government, and categorically dismissed a possible clash between the Armed Forces and the executive branch over differences of opinion on the handling of the truce. Nevertheless, he admitted the seriousness of the actions protested in the Armed Forces memorandum sent to President Betancur. In this respect, he considered that the next step will be to look into these incidents fully through investigations to be carried out by the Verification Commission. The government is a single entity, and the president of the Republic is the supreme commander of the Armed Forces, which fully support his government work and peace policy, he stressed, denying a possible confrontation. At the same time, Gomez Gomez denied that there have been violations of the truce, adding that the charges made by the Armed Forces are isolated cases that had been expected when the agreement was signed in La Uribe. The incidents in Cartagena del Chaira can only be interpreted as an isolated incident, and not as an action carried out by the Revolutionary Armed Forces of Colombia [FARC] command. We had foreseen these situations, because one can always expect that there will be imprudent actions, mistakes, and unfounded fears. This is a process that requires a period of settlement, and it is necessary for the whole nation to have faith in what is being done, Gomez Gomez concluded.

FEBRES CORDERO EXPLAINS PURPOSE OF U.S. TRIP

PA010335 Quito Voz de los Andes in Spanish 1230 GMT 30 Jun 84

[Text] Ecuadoran President-elect Leon Febres Cordero went to the United States to open the doors for an Ecuadoran-U.S. dialogue that could promote Ecuador's economic development during the presidential term that begins on 10 August.

[Begin Febres Cordero recording] [Words indistinct] express Ecuador's permanent desire to strengthen the OAS, because only by strengthening Latin American unity will we be able to achieve the creative peace that is indispensable for the well-being sought by our people. [end recording]

Regarding the subjects discussed with President Ronald Reagan, he said:

[Begin Febres Cordero recording] We spoke of economic matters, problems dealing with the development of our country and Latin America, and world peace; matters of mutual interest. We spoke of strengthening relations between the two countries. By relations I mean diplomatic and trade relations, bilateral agreements, a peaceful coexistence with all the countries of the world. We did not discuss economics in detail. [end recording]

However, Mr Febres Cordero did outline the economic purpose of his trip.

[Begin Febres Cordero recording] I hope to strengthen Ecuador's ties with the United States and explain to U.S. businessmen our policy of opening our country to foreign investment, which is indispensable to finance our development.

I believe that what Colombian President Belisario Betancur said during his speech opening the Cartagena conference coincides with our view. President Betancur said that it was necessary to draft the mechanisms to promote foreign investment in Latin America. For Ecuador, as for all the developing countries, the constant flow of exchange is indispensable to support this development. Therefore, after meeting our obligations, after the renegotiation, we will be able to maintain that constant flow of exchange. [end recording]

GOVERNMENT ISSUES COMMUNIQUE ON BOLIVIAN EVENTS

PA011840 Quito Voz de los Andes in Spanish 1230 GMT 1 Jul 84

[Government Communique on the kidnapping of Bolivian President Hernan Siles Zuazo; date not given]

[Text] Governments on our continent have pledged to uphold democratic institutions through the OAS Charter. In the Code of Conduct [Carta de Conducta] of Rio Bamba, the Andean Pact spoke out in favor of a democratic legal order of popular origin. Upon rendering homage to Simon Bolivar on the bicentennial of his birth, the Bolivarian countries decalred that the consolidation of democracy and the institutionalization of liberty are fundamental goals of their nations. In the Quito Declaration, which was signed during the Latin American Economic Conference, our people's aspiration to live within the framework of republican institutions was reasserted.

In keeping with these principles and its foreign policy, which is aimed at strengthening Latin American democratic regimes, the Ecuadoran Government expresses deep concern over the events which have taken place in Bolivia and makes an appeal to the Bolivian people, political parties, social organizations, and Armed Forces to overcome their differences, which are endangering the existence of democratic institutions in that sister republic.

In addition, President Hurtado expresses solidarity with Bolivia's constitutional president, Hernan Siles Zuazo, whose immediate release is essential to the restoration of peace and continued democracy in that country.

VALENCIA SEEKS MEETING ON INTEREST RATE INCREASE

WA021120 Rome IPS in English 28 Jun 84

[Text] Quito, June 28 (IPS) -- Ecuadoran Foreign Minister Luis Valencia is calling for a new meeting of Latin American leaders to discuss the .5 percent rise in the U.S. prime rate June 25, officials here said late last night.

Valencia suggested such a meeting in a note to his Argentine counterpart, Dante Caputo. He recalled that at their meeting in Cartagena, Colombia last week, Latin American finance and foreign ministers agreed to meet again in the wake of any "extraordinary" developments.

The Ecuadoran official said in his note that the increase in the U.S. prime rate to 13 percent constituted such a development.

The rise was announced by U.S. banks, led by the First National Bank of Chicago and Citibank, only two days after the Cartagena meeting had called for a "dramatic and immediate" reduction in interest rates.

The half point rise will cost major Third World debtors an estimated $1.5 billion in extra debt servicing costs. Interest rates have increased by two percent since last March.

Valencia made his suggestion to Caputo because Argentina was named at the Cartagena meeting to coordinate Latin America's moves on the debt issue. Buenos Aires is due to host a conference of Latin American leaders in September, in advance of the annual meeting of the International Monetary Fund (IMF) in Washington.

In his note to Caputo, Valencia said Ecuador stood ready to "adopt with urgency new joint positions" with other Latin debtors.

MARIATEGUI ON UPCOMING DEBTOR COUNTRIES MEETING

PY292118 Buenos Aires TELAM in Spanish 1800 GMT 29 Jun 84

[Text] Lima, 29 Jun (TELAM) -- The foreign relations and economy ministers of the Latin American countries that signed the Consensus of Cartagena are studying the possibility of moving forward the scheduled meeting in Buenos Aires in order to urgently study the problems created by the new prime rate increase ordered by U.S. financial and credit organizations. This announcement was made by Sandro Mariategui, Peruvian prime minister and minister of foreign relations, who pointed out that his country is willing to attend any such meeting. He recalled that the Buenos Aires meeting was initially scheduled before the IMF governors and the International Bank for Reconstruction and Development meetings which are generally held in late September. Mariategui disclosed that he received a message from Argentine Foreign Minister Dante Caputo suggesting an urgent meeting of foreign and economy ministers to study the prime rate increase from 12.5 to 13 percent. This increase has worsened the already difficult situation of the Latin American countries in relation to their foreign debt, which totals $350 billion.

CENTRAL RESERVE BANK BOARD RESIGNS OVER WEBB REMARKS

PY291430 Lima Cadena Panamericana Television in Spanish 0300 GMT 29 Jun 84

[Excerpt] Sandro Mariategui, president of the Council of Ministers, today announced that all members of the board of directors of the Central Reserve Bank have submitted their resignations because they disagree with the remarks made by Central Bank President Richard Webb. He added that Webb must now resolve this problem, because he is responsible for it. For his part, Gilberto Muniz (Caparo), president of the bicameral budget commission, said that Richard Webb must resign.

Webb Not to Resign

PY291510 Lima Television Service in Spanish 0430 GMT 29 Jun 84

[Text] Official sources today told "Telediario" that Central Benk President Richard Webb will not resign. Here is a report:

[Begin unidentified reporter recording] Well-informed sources at the Central Reserve Bank today said that the Central Bank president will not resign in the wake of the resignations tendered by the five members of the bank's board of directors. However, the sources indicated that noone within the Central Bank was aware of the alleged resignations. [end recording]

BELAUNDE OFFICIALS VIEW TERRORIST 'UPSURGE'

PY011523 Madrid EFE in Spanish 2212 GMT 29 Jun 84

[Text] Lima, 29 Jun (EFE) -- Peruvian President Fernando Belaunde Terry today claimed that there is an international conspiracy against Peru, as shown by the terrorist upsurge which has been going on for 1 week and whose latest achievement was the destruction of an ore-carrying freight train the central mountain region. Belaunde said that the idea is to "get Peru involved in a war which we have neither planned nor declared."

On 28 June seven members of the Shining Path terrorist organization attacked and derailed a 25-wagon freight train carrying ore in the Peruvian central mountain region after overpowering the engine driver and his helpers. The freight cars were completely destroyed and unofficial sources have estimated the damage at $200 million.

The president reiterated his offer of a truce that will allow the lifting of the state of emergency, provided bloodshed is ended in the Peruvian mountain region where 13 provinces of Ayacucho, Huancavelica, and Apurimac have had individual guarantees suspended. The president refuted the criticism the opposition has hurled at him because of this proposal, adding that his proposal is not foolhardy because anything is justified to attain peace. Belaunde criticized certain reports disseminated abroad because, he said, "they seek to project a false image of the country."

Interior Minister Luis Percovich agreed with the chief executive that the aim of the terrorist upsurge is to thwart the national elections scheduled for 1985.

The daily EXPRESO reported on 29 June that a Shining Path group had attacked a Republican Guard unit which was repairing a road in De la Mar Province, Ayacucho Department, and killed two guardsmen.

Meanwhile, General Adrian Huaman, political-military commander of the Ayacucho Emergency Zone, has been meeting with the high command of the Armed Forces in Lima. According to rumors in Lima, these meetings could lead to the establishment of a state of seige in the emergency zone.

Percovich also confirmed the death of 15 members of Shining Path in Huaranchal, La Libertad Department, where a civil guardsman died in a clash with subversives.

According to LA REPUBLICA, surveillance is very strict in Lima in view of the possibility that there will be terrorist attacks. The interior minister said that the situation in the capital is under control after Shining Path plans to attack embassies, police stations, banks, and headquarters of political parties had been discovered. However, a power plant was attacked in Lima on 28 June, and a guardsman was wounded while repelling the terrorists.

EXPLOSIONS, VIOLENCE IN AYACUCHO REPORTED

PY291515 Paris AFP in Spanish 1629 GMT 28 Jun 84

[Excerpts] Lima, 28 Jun (AFP) -- Police reported here today that 1 policeman, 15 terrorists, and 2 women died, and an unknown number of persons were wounded in new attacks started by subversives in Ayacucho city, 575 km south of Lima.

Apparently, the principal objective of the attack was to destroy the main building of the telephone company. The attack started with a series of 10 explosions in several areas of the city which led to a number of confrontations between the forces of law and order and Shining Path members. The Republican Guard policeman and 15 terrorists died during shootouts, and the 2 women died from the explosions.

President Fernando Belaunde, commenting on the new outbreak of terrorism, last night reiterated the need to reinstate the death penalty for treason to the country for those who commit terrorist acts.

BLANCOS SUSPEND CONTACTS WITH OTHER PARTIES

PY011635 Madrid EFE in Spanish 0415 GMT 30 Jun 84

[Text] Montevideo, 30 Jun (EFE) -- The decision by the three Uruguayan political parties to negotiate the democratization of the country with the military tonight caused the withdrawal of the Blanco majority, which supports arrested leader Wilson Ferreira Aldunate, from the Multiparty Group. After 2 days of negotiations, the National Party (Blanco) board decided to "temporarily suspend" all contact with the other political groups: Colorado, Civic Union, and the outlawed leftist Broad Front coalition.

According to a communique issued tonight, the Blancos state that this decision "was approved by the majority." This implies that there is a schism with minority groups within the party that have promoted a new presidential candidacy to oppose Ferreira Aldunate. Gonzalo Aguirre, secretary of the board, read a declaration to journalists which states that the National Party notes that "the eventual agreements" to be achieved by other parties with the Armed Forces "are not binding on us."

The Blanco Party had decided weeks ago "not to hold a dialogue" with the military while Ferreira Aldunate was under arrest. He is being tried by the military court for high treason. Despite this decision, they attended the Multiparty Group meetings until 3 days ago when the other parties decided "to start a rapprochement with the military government" and to resume the negotiations that will lead to the elections scheduled for 25 November.

PETITION FOR RELEASE OF FERREIRA ALDUNATE DENIED

PY012222 Paris AFP in Spanish 2314 GMT 30 Jun 84

[Excerpt] Montevideo, 30 Jun (AFP) -- Rodolfo Canabal, a lawyer for Blanco Party leader Wilson Ferreira Aldunate, today announced that a military judge has turned down a petition for the release on bail of both Ferreira Aldunate and his son Juan Ferreira, who were detained and brought to trial upon returning to Uruguay after 11 years in exile.

JOURNALISTS BROUGHT BEFORE MILITARY COURT

PY290425 Paris AFP in Spanish 2332 GMT 28 Jun 84

[Excerpt] Montevideo, 23 Jun (AFP) -- Reliable journalistic sources have reported that Alexis Jano Ros, chief editor of the newspaper LA VOZ DE LA MAYORIA, and Roger Rodriguez, a journalist of the same publication, were brought before the military court on 28 June.

According to these reports this action was prompted by an article which the newspaper published last week on the status of two extremist inmates of the Punta de Rieles prison. The article stated that the relatives of Nelida Fontora and Graciela Jorge had asked for their release because of the poor health of the two inmates. The article also emphasized the concern of these relatives over the bad prison conditions to which the inmates were subject and over their mental and physical health.

Jano Ros and Roger Rodriguez will reportedly appear before the military judge tomorrow so that he can decide whether to indict them or not.

LA VOZ DE LA MAYORIA is considered the mouthpiece of Uruguayan labor circles, having taken the place of CONVICCION which was permanently closed down.

DEBT REFINANCING AT FIXED INTEREST RATES SOUGHT

PA020357 Buenos Aires LATIN in Spanish 2151 GMT 1 Jul 84

[Excerpts] Caracas, 1 Jul (LATIN-REUTER) -- Venezuela will propose to its creditor banks that its debt be refinanced at fixed interest rates, Planning Minister Luis Matos Azocar said today.

He told reporters that this would permit the government to conduct better planning of its future budgets for economic recovery.

Last week Venezuela's creditor banks agreed to start talks on 23 July to refinance the $14-15 billion owed, but asked the government to speed up the registry of its private debts and pay the back interest.

Matos Azocar said that the banks' decision to accept Venezuela's economic program and not insist on the IMF conditions was an important advance.

"The initial phase of the negotiations was the most critical, as it was decided that we should maintain autonomy in handling the economy for the coming years," he said.

Matos Azocar noted that the government will have to extend the current freeze on capital payments on the public for 3 more months as of 1 August, but was confident that an agreement would be reached in that time.

He said it was vitally important to advance in the debt negotiations because the confidence of the investors could have been seriously affected, and the government could not have planned for the future.

"We would not have known how much to budget for the debt service, and so we want to negotiate the refinancing of our debt with fixed rates of interest," he said.

Matos Azocar also underlined the importance of Venezuela's not requiring an IMF program which, he said, would have created "millions of unemployed and a deterioration of real wages."

The representatives of the IMF who participated in last week's meeting offered a generally favorable report on the Venezuelan economy and said that the government's adjustment plan was headed in the right direction.

SEPULVEDA CLARIFIES CARTAGENA MEETING PROPOSALS

FL300042 Mexico City NOTIMEX in Spanish 1903 GMT 29 Jun 84

[Text] Mexico City, 29 Jun (NOTIMEX) -- Mexican Foreign Secretary Bernardo Sepulveda Amor has said the new increase in interest rates is not a political attack against those Latin American nations that met in Cartagena, Colombia, although both events did take place at the same time. He said this new increase was due to the U.S. domestic economic situation and not to any type of aggression, because Latin American nations have the political will to comply with their foreign obligations [as received].

Sepulveda Amor said the 22 June Cartagena meeting was an exercise in political responsibility which shows that there is no need to break with the international financial system which works and works well. He explained that the proposals submitted by the Latin American countries in Cartagena are directed to avoiding the cost of money becoming so burdensome that it would be impossible to pay the debts.

Bernardo Sepulveda announced that a meeting would be held in Buenos Aires, Argentina in September or sooner, given present circumstances, which might include Latin American trade ministers who would discuss the foreign debt problem.

ENERGY SECRETARY SIGNS COMMUNIQUE DURING GDR VISIT

PA302356 Mexico City EL NACIONAL in Spanish 27 Jun 84 p 4

[Text] Berlin, GDR, 26 Jun -- Gerhard Schuerer, deputy chairman of the Council of Ministers and chairman of the State Planning Commission of the GDR, has declared here that the socioeconomic measures Mexico has adopted will serve to consolidate its sovereignty and become a solid foundation for its development. At the close of his talks with Francisco Labastida Ochoa, the Mexican energy, mines, and parastatal industry secretary who has been in Berlin since Sunday, Schuerer expressed his conviction that the increase in economic activities in Mexico will have a beneficial effect on economic cooperation between Mexico and the GDR.

This was stated in a joint communique released this morning, in which the two officials came out in favor of exhausting all possibilities for expanding economic, scientific, and technical relations between the two countries, and most particularly industrial cooperation. Schuerer also stressed his country's interest in the struggle to reverse the deterioration of the international situation and to promote the development of mutually advantageous international economic relations.

Labastida Ochoa stressed the urgency of reaching disarmament treaties and diverting resources devoted to the arms race to the economic and social development of peoples.

Labastida Ochoa's stay in Berlin was prompted by an invitation from Schuerer to enable Labastida to become familiar with the GDR's economic policy and achievements. The official visited enterprises, factories, and installations and talked with officials about a continuing expansion of cooperation between the two countries.

The Mexican energy, mines, and parastatal industry secretary reiterated his interest in exchanging views with officials of the GDR Government on experiences and management of large economic complexes, on energy substitutes, and on expanding the rational use of oil products and raw materials in production.

ILLUECA RETURNS FROM NEW YORK, SUMMARIZIES VISIT

PA291737 Panama City Domestic Service in Spanish 1400 GMT 29 Jun 84

[President Jorge Illueca interviewed on his arrival from New York at Torrijos International Airport on 28 June -- recorded]

[Excerpts] President Jorge Illueca returned last night. He was received in the Omar Torrijos Airport's diplomatic room by Vice President Carlos Ozores and all the members of his cabinet. On his arrival he made a statement for the press briefly summarizing his visit in New York where, among other things, he received a report on the advancement of the economic cooperation program and presided over the installation ceremony of the preparatory committee for the activities to commemorate the 40th anniversary of the United Nations next year. In his statement for the press, Illueca said that a meeting between the economically strong countries and debtor countries is necessary, adding that during his talks with Latin American ambassadors to the United Nations he stressed the need to support the Contadora Group's efforts. We will now hear how Illueca responded when asked if the current international economic crisis reaffirms the need to establish a new international economic order.

[Begin Illueca recording] I think that this is a general concern for all. I sincerely believe that in reality, in view of the fact that the foreign debt problem affects all developing countries, the solution of this problem requires the cooperation of the highly developed, industrialized countries. It will be necessary to arrive at this formula because there is no other way out. The countries oppressed by debts must find a way to overcome the crisis, and in order for this to happen it is necessary to have a flow of capital, economic reactivation. [end recording]

Regarding the Contadora Group's peace efforts through dialogue, Illueca said that the document recently presented to Central American presidents and to the UN secretary general has all the necessary elements for a peace treaty. He added that Jesse Jackson's visit to the region had positive results, as evidenced by the release of 26 political prisoners from Cuban jails. He also noted that events pointing to a detente in the region are more frequent each day, including the talks between the United States and Nicaragua in Manzanillo, Mexico.

[Begin Illueca recording] The Contadora Group has wide support in the United Nations. In reality, the recent document presented by the Contadora Group -- the Document for Peace and Cooperation in Central America -- has all the necessary elements for a peace treaty. We could say that it is a draft treaty. This document is already in the hands of the Central American heads of state and governments. The Contadora Group is also trying to arrange a direct contact with the U.S. President, as well as with the Cuban president. I think that Jesse Jackson's visit to Panama, some Central American countries such as El Salvador and Nicaragua, and also Cuba, has had positive results, with the libaration of some prisoners whom, as you know...[changes thought] and at the same time, we can also observe that there are signs of detente in the area which reflect a reduction of tension. The fact that Nicaraguan Deputy Foreign Minister Tinoco held talks with Ambassador Shlaudeman, President Reagan's personal representative, is also a demonstration of detente.

I have just read that in Buenos Aires, [name indistinct], a well-known personality who is also an official of the U.S. State Department, has said that the United States is not promoting military solutions and will not engage in military activities in other countries. I think that these are all positive indicators that we must encourage. Contadora has now entered a decisive phase, and as I told our Latin American brothers in New York, I think that this is the time to show more support for Contadora, in order to strengthen their efforts, as this is definitely a decisive phase. [end recording]

U.S. SILENCE IN FACE OF ELECTION 'FRAUD' ANALYZED

PA302331 Panama City LA PRENSA in Spanish 27 Jun 84 p 14 A

[Article by Ezequiel Muhtar: "A Repulsive Hoax"]

[Excerpt] Symptoms of the fraud that was being prepared were evident during the recent electoral campaign. From the very beginning it was obvious that no officialist candidate could compete with Dr Arnulfo Arias' popularity. Regardless of slander or coercion, all Panamanians knew that if the votes were counted, Arias would be their president for the fourth time. The government's machinery could silence its opponents, intimidate public employees, and important an expensive "specialist" in frauds from Miami, but it could not convince.

Things were different abroad, especially in the United States. It was necessary to keep up appearances, to give the impression that the country was being "democratized," that the people's will was being respected. A theatrical motion to suspend all aid to Panama if there were an electoral fraud was introduced in the U.S. Senate. Today there is silence about this, despite the fact that the U.S. Government knows better than anyone else of the repulsive electoral hoax. Complicity? No. What happens is that President Reagan is faced with the constant sabotage of his Central American policy by the House of Representatives, which is dominated by the Democrats. He was hard put to obtain approval for military aid for El Salvador. He was therefore convinced that he could not create another conflict area here in Panama. And the staging of a coup against Arias once he had been proclaimed president would have caused immediate conflicts, worse than the present ones, for the United States.

This seems to have been the alternative presented to Washington by certain defense officials and leading banks; thus Reagan's decision to look the other way. He thought that, for his beleaguered Central American policy, it was better to have doubts about an electoral fraud than to face the "shock" of a coup staged by military men. Unfortunately, Reagan's thinking was wrong.

BRIEFS

PAKISTANI, SWISS AMBASSADORS -- Amir Usman, the new Pakistani ambassador to Panama, and Francois Nordmann, the new Swiss ambassador to Panama, have presented their credentials to Panamanian President Jorge Illueca. [Summary] [Panama City CRITICA in Spanish 27 Jun 84 p 27 PA]

FOREIGN MINISTERS HAIL U.S.-NICARAGUAN TALKS

FL292042 Mexico City NOTIMEX in Spanish 0130 GMT 28 Jun 84

[Text] San Jose, 27 Jun (NOTIMEX) -- The foreign ministers of Colombia, Venezuela, and Costa Rica today termed the meeting held in Mexico by U.S. and Nicaraguan officials as highly positive for detente in the Central American region.

In a telephone interview, Colombia's Foreign Minister Rodrigo Lloreda Caicedo asserted that the meeting held in Manzanillo, Mexico, by Nicaragua's Vice Foreign Minister Victor Hugo Tinoco and the Reagan administration's special envoy, Harry Shlaudeman, constitutes a first step forward. The Colombian official stressed that even though no spectacular results were expected, a first step was necessary to ease tensions, inasmuch as a U.S. undeclared break in relations has existed since the truimph of the Sandinist revolution. He recognized that one of the main factors in the Central American conflict was the poor state of U.S.-Nicaraguan relations, because on the one hand Nicaragua is accused of being a destabilizing factor in the region, and on the other the United States of attempting to disrupt the revolutionary movement. This situation, he said, reached such a point that each side had requested the UN Security Council to condemn the other, making a meeting almost impossible.

Venezuela's Foreign Minister Isidro Morales Paul stressed that rapprochement between the two nations was the result of negotiations undertaken by the Contadora Group, during talks held with U.S. Secretary of State George Shultz in El Salvador, following the inauguration of President Jose Napoleon Duarte. He said it is encouraging that a dialogue is under way instead of the use of arms to resolve the differences, and this attitude could end the tension that has prevailed since 1979.

Costa Rica's Foreign Minister Ad Interim Jorge Urbina said the dialogue held by the representatives of the two countries in Manzanillo, Mexico, is an encouraging sign, even though not all international sectors believe it to be positive. He said he hoped the Shlaudeman-Tinoco meeting will lead to the pacification of the Central American area. He recalled that Monge had proposed a dialogue as a way to resolve international conflicts, and that had occurred when he mediated between the Salvadoran guerrillas and the U.S. Government to establish the first contacts.

COSTA RICA

PRESIDENT MONGE RETURNS FROM EUROPEAN TOUR

PA011616 Paris AFP in Spanish 1514 GMT 1 Jul 84

[Text] San Jose, 1 Jul (AFP) -- Costa Rican President Luis Alberto Monge has returned to San Jose after a tour of 11 European countries that lasted over 1 month. Monge's plane landed at the Juan Santamaria International Airport from Lisbon, the last leg of his European tour. During his trip, which began on 27 May, he sought support for the neutrality policy promoted by his government. The Costa Rican president was greeted at the airport by all of his cabinet members, ranking administration officials, and representatives of the diplomatic corps. Presidential House has planned receptions today in several areas of Alajuela, Heredia, and San Jose Provinces, whose main streets are adorned with the three-color flag of Costa Rica and with posters bearing the portrait of the president which read: "Thank you, President Monge."

SECURITY FORCES INVESTIGATING FDN PRESENCE

WA021220 Rome IPS in English 27 June 84

[Text] San Jose, Costa Rica, June 27 (IPS) -- Costa Rican Security forces are investigating the reported presence of insurgents of a Honduras-based Nicaraguan gurerrilla movement in Costa Rica, Public Security Minister Angel Solano announced here today. If their presence is confirmed, he said, Costa Rica would expel the Nicaraguan Democratic force (FDN) insurgents "because that group has no political space in Costa Rica."

The other major Nicaraguan rebel group, the Democratic Revolutionary Alliance (ARDE), is based in Costa Rica and launches attacks against Nicaragua from the northern part of the country.

Costa Rican officals said they believed FDN guerrillas have arrived here due to the expected merger of FDN and ARDE forces.

Interior Minister Alfonso Carro announced today that the FDN already has "political space" in Honduras, and that if it were permitted to remain here, Costa Rica's relations with Nicaragua and the four-nation Contadora group would be compromised. "We have the impression that some FDN bases of operation are already established in Costa Rica." he said.

But Carro had sharp words for the Nicaraguan Government, calling it a "Marxist-Leninist totalitarian state."

He said Costa Rica would "continue fighting, at the service of democracy, against a regime that is totalitarian and comprised with international communism. In this, (Costa Rica) is not neutral." "But the battle of the Nicaraguan opposition should be political and not military," Carro added. He said this stand did not contradict the policy of neutrality in Central America's conflicts declared last November by the government of President Luis Alberto Monge.

SECURITY MINISTER COMMENTS ON MONTALVAN CASE

PA291742 San Jose Radio Reloj in Spanish 1200 GMT 29 Jun 84

[Text] Public Security Minister Angel Edmundo Solano yesterday said that Oscar Leonardo Montalvan, a Nicaraguan journalist, was expelled from the country not because he was a journalist, but because he was a militant of the Nicaraguan Democratic Force, FDN. He noted: The clamor that a group has tried to stir up becuase of Montalvan's expulsion is incredible. It would be good to ask this group if it would fuss so much had the expelled journalist been from XINHUA or some other leftist news agency, he added.

Solano reaffirmed that there is no political room for the FDN in Costa Rica, and therefore the Security Council's expulsion decree was wise, since there was the threat that Montalvan's attitude could have disturbed the country's security and peace.

Minister Solano said that his colleague, the government minister, was rash when he commented on the Montalvan expulsion. I can state that it was not I but the Security Council that ordered the arrest and expulsion of the FDN leader, and that once he was arrested we put him at the disposal of the immigration authorities as the law establishes, he said.

Angel Edmundo Solano referred to the FDN, saying that the presence of the FDN in the Democratic Revolutionary Alliance group represents a danger to Costa Rica, since FDN is a completely militarized orgainization that has all the command structures and all the arms that such an organization requires.

EL SALVADOR

GOVERNMENT DECLARATION ON CONTADORA DOCUMENT

PA291745 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 28 Jun 84

["Government Declaration on Contadora Document for Peace and Cooperation in Central America"; date not given; read by reporter (Hernan Quesada)]

[Text] The Foreign Ministry, in expressing the Salvadoran Government's official position on the "Contadora Document for Peace and Cooperation in Central America," which was presented to President Jose Napoleon Duarte by the Contadora Group's foreign Ministers on (?9 June), states that:

1. After examining the document in question, the Salvadoran Government has found that it is in keeping with the commitment adopted by the Contadora Group at the sixth joint foreign ministers meeting held in Panama on 30 April [words indistinct] to proceed to organize, systematize, and integrate the documents resulting from the working commissions, to later subject them to analysis by the Central American governments.

2. Consequently, the document fulfills the task entrusted to the group, paving the way for the technical group by virtue of the same commitment made by the nine foreign ministers, to examine the recommendations and agreements, propose consensus solutions, fulfill the agenda, and as an obvious result, prepare the political and jurisdical projects necessary to confirm the agreements attained, and establish adequate mechanisms for their proper fulfillment in the interest of peace, democracy, justice, and the reconciliation of the Central American countries, which are called upon to sovereignly state their own alternatives and solutions for the crisis affecting us.

3. Therefore, the Salvadoran Government considers the document a valuable working document that undoubtedly enriches the work carried out by the commissions that participated in the efforts. It also allows the development of the previously established agenda and its future conclusion by the technical group, which is to immediately schedule meetings that it thinks necessary in order to continue the efforts to achieve peace in the Central American region.

ASSEMBLY AUTHORIZES DUARTE TRIP TO EUROPE

PA291535 Paris AFP in Spanish 1434 GMT 29 Jun 84

[Excerpts] San Salvador, 29 Jun (AFP) -- The Legislative Assembly has authorized President Jose Napoleon Duarte to travel to Europe in mid-July, following a broad debate in which the president himself participated. Duarte explained that he plans to visit Germany [not further indentified] and possibly other European countries to underline his government's need for assistance. "We have already done so in the United States and will now do so and succeed in Europe," the president said, adding that he will be accompanied by Foreign Minister Jorge Tenorio; Colonel Adolfo Blandon, chief of the Armed Forces General Staff; and another official.

DUARTE VISITS CERRON GRANDE DAM; MORE ON ATTACK

PA292128 San Salvador Radio Cadena YSKL in Spanish 0300 GMT 29 Jun 84

[Excerpts] Cerron Grande -- Salvadoran Armed Forces succeeded at noon in attaining full control of El Salvador's largest hydroelectric dam located at Cerron Grande. Army forces surround the energy complex, which was attacked early in the morning by guerrillas, as we had reported earlier.

President Jose Napoleon Duarte flew to the area to learn of the situation first-hand. This is an important report on Duarte's visit to Cerron Grande installations late this afternoon. The report is by Raul Beltran. Come in, Raul:

Thanks, Tony. Good afternoon, listeners of the country's first radio reporting station. Action at the Cerron Grande hydroelectric dam on the Lempa River definitely concluded at noon today when Army units, in an immediate reaction, succeeded in checking the rebel attack. By about 1100 the Salvadoran Army had regained control of the hydroelectric dam and the control room, including the substation. The complex generates 20 percent of the energy consumed by the nation.

President Duarte flew to the area with Defense Minister General Carlos Eugenio Vides Casanova, Armed Forces Chief of Staff Colonel Adolfo Oneciforo Blandon, and the president of the Lempa River Hydroelectric Executive Commission. We believe they were accompanied by a U.S. adviser. Duarte disclosed the number of casualties suffered in Cabanas Department today, indicating that 60 soldiers and officers lost their lives during the clashes. He added that 60 guerrillas had also died during the action. The Salvadoran Army reported the death of a captain and two lieutenants. The dam had been guarded by 250 soldiers.

It has also been confirmed that 300,000 colones will have to be spent to restore the 20 percent of the nation's energy supplied by the dam before the attack.

Duarte on FMLN's Aims

PA291340 Paris AFP in Spanish 1259 GMT 29 Jun 84

[Text] Cerron Grande, El Salvador, June 29 (AFP) -- A guerrilla attack yesterday on the Cerron Grande Dam installations in which "dozens of soldiers were killed" was aimed at bringing the government to the negotiating table, President Napoleon Duarte said here. Earlier he was quoted as saying that there were 120 dead -- 60 soldiers and 60 guerrillas.

The Farabundo Marti Liberation Front (FMLN) attack against Central America's largest dam, 60 kms (26 miles) north of San Salvador, had "military, economic and political aims", President Duarte said on an inspection tour of the damage.

He said that the FMLN guerrillas would use the incident to gain international attention, and was seeking to harm the economy by forcing it to use alternative sources of power costing 120,000 dollars per day. The president was unable to judge the full extent of the damage caused by the attack, but dam officials said that some turbines had been dynamited and would take three weeks to repair. Electricity would be rationed from today.

Mr Duarte said that the FMLN also carried out this attack to destabilise his government, in addition to sending radio messages of support, monitored by the Army, to leaders of strikes which have hit the country. He denounced FMLN attempts to start peace talks by resorting to violence.

He had received numerous messages recently about their wish for dialogue, the most recent on June 25 from visiting U.S. democratic presidential hopeful Jesse Jackson.

The FMLN claimed yesterday over its Radio Venceremos that it had occupied the dam for 10 hours and then withdrew with some of the staff as hostages. But the Salvadoran Army said that it was in "total control" of the dam after fighting off the guerrillas.

COPREFA DENIES ATTACK ON '5 NOVEMBER' DAM

PA300025 San Salvador LA PRENSA GRAFICA in Spanish 29 Jun 84 pp 3, 47

[Text] The Armed Forces Press Committee [COPREFA] has denied that the "5 November" Dam was attacked simultaneously with the Cerron Grande Dam. After the installations of Cerron Grande Dam, in Chalatenango Department, were recovered, COPREFA emphatically denied that a similar attack had occurred at the "5 November" Dam, Cabanas Department. The "5 November" Dam is also known as La Chorrera del Guayabo. The Army's official source said that this had to be clarified because a clandestine radio station stated yesterday morning that, to support labor and union causes, the FMLN had ordered the two attacks.

In an attempt to expand on the attack on the "5 November" Dam, the source added that the authorities consulted on this issue had said that no attacks had taken place in the area; therefore the clandestine radio station report was not true. Thus, the source added, this is all part of a propaganda ploy intended for "export" rather than for domestic use, because we know that such an attack never took place. The news confused the people for only a short time because it was later proven that nothing had occurred. In conclusion, the source added, because of the delicate nature of such information, the people should believe only what is officially announced. This would prevent rumors and alarming situations among the people.

ARMY COMMANDER DENIES 'TERRORISTS' CASUALTY CLAIMS

PA010246 San Salvador Radio Cadena YSU in Spanish 1200 GMT 30 Jun 84

[Excerpt] Last night, troops of Military Detachment No 2 joyfully entered this city [not further identified]. These troops participated in a search operation for FMLN rebels who ambushed a contingent of Military Detachment No 2 on Thursday. According to reports by the officers who participated in this operation, the search was carried out in the area of Titihuapa, San Isidro jurisdiction, and the extremists suffered many casualties. Colonel Carlos Alfredo Rivas, Military Detachment No 2 commander, headed the operation and returned to the city with his troops. Col Rivas was accompanied by Captain (?Lex Barker) and Lieutenant Campomesa. There had been rumors that Lieutant Campomesa had been captured by the guerrillas, while others said that he had been killed. The following is a report by Col Carlos Alfredo Rivas in regard to the operation carried out near the town of San Isidro.

[Begin Rivas recording] [Words indistinct] What happened yesterday was that we fell into an ambush near La Puntona, in the Santa Lucia Canton and hamlet, when the unit under my command was heading to guard the road between Ilobasco and the Cerron Grande and 5 November Dams. We had learned that the terrorists had mined the road, and we had also learned that two cars had been destroyed by the mines placed on the road. The two cars belonged to innocent civilians who were traveling north from the dams. The occupants of the two cars were injured. I have no information as to how many occupants were involved, but I do know that they were injured. In view of this, we went out to guard the road between Ilobasco and the Cerron Grande and 5 November Dams, and we were ambushed.

We were traveling in six vehicles. The first three vehicles had already crossed the mined area when one of the trucks stopped, probably because its driver was nervous, and it was then that the terrorists opened fire on the vehicles. Only three vehicles were damaged. The rebels fired on the vehicles with 90-mm cannons and .50-cal machineguns. They had also placed claymore mines along the road. If civilian vehicles had used the road they would have been damaged.

Therefore, the information supplied by the terrorists is not true. They said six vehicles were destroyed, and only three were destroyed. They also said that they had annihilated a company, and this is not true because we had only 14 deaths to regret and 2 treasury policemen who were with the column, as is our custom. Therefore, 14 soldiers and 2 policemen were killed. Nine soldiers were injured when they tried to identify the dead soldiers. These dead soldiers had been booby-trapped and when turned over for identification the bombs exploded. The nine soldiers were slightly injured. Today six of them are back with us. [end recording]

CLANDESTINE RADIOS ON CERRON GRANDE OPERATION

Report From Farabundo Marti

PA302004 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 30 Jun 84

[Text] Radio Venceremos now makes contact with our sister station Radio Farabundo Marti in Chalatenango for an important report. Come in, brothers of Radio Farabundo Marti.

[Farabundo Marti announcer] We report for Radio Venceremos in Morazan from Radio Farabundo Marti in Chalatenango. A gigantic demonstration of inability, this is [words indistinct] yesterday during his inauguration as commander in chief of the Armed Forces. [Words indistinct] helicopter flights to the combat zone, the elite Ramon Belloso Battalion, members of the Sensuntepeque 2d Battalion, the 5th Infantry Brigade, and other garrisons of the country, totaling 7,000 men, were bogged down and frustrated in their efforts to reach the Cerron Grande Dam. The dictatorship's forces were unable to pass until our men [words indistinct].

The dictatorship troops fell in clashes and ambushes all around the action area that included Chalatenango's southeastern zone, as well as the Cabanas and San Vicente Departments.

Our vanguard units held total control of the Cerron Grande interior for 6 hours. During that time, Air Force units continuously carried out attacks [words indistinct] near and around the dam thereby endangering the lives of the civilian population. [Words indistinct] Cerron Grande Dam and evacuated technical personnel and workers so that their lives would not be endangered by the dictatorship's irresponsible attacks.

During the time of our occupation -- during the 6 hours our members stayed within the dam, we had time to blow up the hydroelectric dam. Yet, despite the psychosis of the dictatorship's high command, we did not. As proof of this our members sabotaged 54 transformers, the fuel station, and an electric energy substation. In addition, we completely destroyed the enemy's command post, as well as its munitions depot. We then withdrew from the dam, again mocking the gigantic demonstration of inability by the dictatorship's Army, which was moving 5,000 soldiers to the dam for nothing.

Details on yesterday's clashes against the elite Ramon Belloso Battalion: Troops were ambushed on the road between San Rafael Cedro and Nogal. These forces were intended as reinforcements for the troops guarding the dam. [Words indistinct] in yesterday's clashes, since we detonated two mines near a troop convoy and destroyed one of their trucks. We call on all of our people to stand by and listen to information broadcast by our FMLN stations: Radio Venceremos and Radio Farabundo Marti. We will announce the names of the soldiers taken prisoner during the Cerron Grande clashes for their relatives' peace of mind. Radio Venceremos and Radio Farabundo Marti, united in combat, united in victory.

[Venceremos Announcer] We have listened to a report from our sister station, Radio Farabundo Marti, giving us further information on the great victory achieved by our people in Cerron Grande -- the position that the gringos thought was impregnable due to security measures and the daily overflights of the area by U.S. planes equipped with modern radar and electronic equipment. However, no one can stop our people. Incapableness and incompetence -- there are no other words to describe the Armed Forces action on 28 June when our units seized the Cerron Grande Hydroelectric Dam. They had 5,000 soldiers, special battalions, tanks, bombers, helicopters, and all kinds of war materiel supplied by the gringos; yet the dictatorship's Army could do nothing to prevent us from seizing this strategic position, annihilating a battalion, seizing a large number of weapons, sabotaging, among other things, 54 transformers, the fuel station and an electric power substation, and completely destroying the enemy command post of the reinforced battation which was unable to halt the FMLN's advance.

FMLN Communique on Objectives

PA300039 (Clandestine) Radio Venceremos in Spanish to El Salvador 0102 GMT 30 Jun 84

[FMLN General Command Communique issued "to the Salvadoran people and the peoples of the world "in El Salvador" on 28 June]

[Test] The General Command reports that today, 28 June 1984, beginning at 0200, our forces began the military operation "Long Live the Workers' Heroic Struggle -- Let Us Defeat Duarte's Capitulation." We thus continue to execute the FMLN-FDR alliance's policy on the development of the people's war before, during, and after the electoral farce.

This military operation was intended to increase the FMLN forces' coordination and timing and weaken the Armed Forces and the Duarte administration, puppets of the rabid imperialist government headed by Ronald Reagan, the worst enemy of world peace, champion of the nuclear blackmail being conducted against humanity, and looter of the economic resources of Latin America and the Third World.

This was a large-scale military operation conducted in extensive portions of Chalatenango, Cabanas, and San Vicente Departments. The main thrust of the operation was to annihilate the reinforced Cazadores Battalion and Detachment No 1 of Chalatenango, which guards the strategic Cerron Grande Hydroelectric Dam on the Lempa River. The main thrust was carried out by the Commander Felipe Pena Mendoza unified battalions group and by the People's Liberation Forces [FPL].

In addition to the principal mission, the operation included three secondary missions intended to debitate the enemy reinforcements:

1. Ambush on Detachment No 2's reinforcements out of Sensuntepeque, on the Sensuntepeque-Ilobasco road, in Tejutepeque, Cabanas Department. Clashes began at approximately 0500. The FPL's Ernesto Morales Battalion was in charge of this mission.

2. Ambush on the reinforcements of Cojutepeque's Detachment No 5, on the road that leads to San Rafael Cedros, in Ilobasco, on the border between San Vicente and Cabanas Departments. The Rafael Aguinada Carranza Battalion, which is part of the FPL, [the military arm of] El Salvador's Communist Party, was in charge of this mission. Clashes began at 0500.

3. Ambush on the reinforcements of San Vicente's 5th Infantry Brigade, on the Pan-American Highway on the area of Santo Domingo. This mission was carried out by the Luis Adalberto Diaz Detachment, which is part of the Revolutionary Party of Central American Workers.

Initial results of the "Long Live the Workers' Heroic Struggle -- Let Us Defeat Duarte's Capitulation" operation include the annihilation of a reinforced battalion and its command, which was part of Detachment No 5 of Chalatenango, and was guarding the Cerron Grande Dam. Initial results of the operation also include the annihilation of a company and a section of Detachment No 2 of Sensuntepeque. Our forces seized a large amount of military equipment from these units, including one 120-mm mortar. The reinforcements that were moving on the Ilobasco-Sensuntepeque road sustained many casualties. Detachment No 5 of Cojutepeque also sustained many casualties during a clash on the road from San Rafael Cedros to Ilobasco. Logistical supplies and a PRC-77 military radio were recovered, and we weakened and obstructed the 5th Infantry Brigade's deployment on the Pan-American Highway, near Santo Domingo.

We report that logistics supplies and military equipment, as well as a PRC-77 military radio were recovered in that operation. These results were achieved shortly after the FMLN carried out operations to weaken the enemy in El Salvador's eastern areas. The enemy sustained several hundred casualties.

The people's war becomes stronger 28 days after Jose Napoleon Duarte's government, fabricated by the CIA, assumed power. This is the Salvadoran people's answer to increased imperialist intervention by the United States in El Salvador and Central America, to which the FMLN-FDR alliance responds with a growing cohesion and strength among its military and political forces.

On its part, Durate's puppet regime has proven, since its first days in power, its shameful betrayal of those organizations that had faith in his so-called social pact and gave him their votes. It is clear that Durate's only pact has been made with the Reagan administration and that his true mission is to surrender El Salvador's sovereignty and independence to Yankee imperialism and to commit treason and genocide against his country in a useless attempt to thwart the Salvadoran people's liberation. To fulfill this dirty and treacherous mission, the puppet Armed Forces command has intensified its air raids and artillery attacks against the inhabitants of the areas under rebel control and in combat areas.

Since the day Duarte assumed the presidency, under cover of the false democracy created by the multimillion-dollar propaganda blitz with which the Reagan administration saturated the world on his behalf, he has conducted a genocidal policy against the entire Salvadoran people. He has refused to find immediate solutions to the just demands of tens of thousands of workers. While he offers white-glove and cautious treatment to the leaders of the death squads, eliminating only a handful of military leaders whom he has gratified with juicy diplomatic positions abroad, he has refused to heed the demands of the thousands of mothers and relatives of political prisoners and missing persons. The oligarchs and the leading and wealthiest military and civilian masters of the death squads continue to hold positions of power while their actions go unpunished. Not one of them has been arrested or evicted from his military garrison, prison, or torture chamber. None of these things have been eliminated. None of the thousands of cases of missing persons and crimes they have committed have been or will be cleared.

In the meantime, Duarte has centered his attacks, dismissals, and arrests on the workers' just strikes, accusing the workers of subversion and threatening them with heavier reprisals.

Duarte has twice rejected the FMLN-FDR's proposal to talk and negotiate in order to find a political solution that might bring peace. Our last proposal was conveyed to him by the Rev Jesse Jackson, the U.S. Democratic Party candidate.

Duarte has preferred to help Reagan obtain the U.S. Congress' approval of more and more hundreds of thousands of dollars in military aid to prolong the war against our people with more planes, helicopters, bombs, cannons, and battalions armed to the teeth.

The Salvadoran people and the peoples of the world have new evidence that the FMLN-FDR is an effective, powerful force that is increasing its capacity for action, its cohesion, and numbers and that it is a victorious force that is advancing despite the escalation of the Yankee imperialism's support for and intervention in the puppet dictatorship.

Likewise, the FMLN-FDR maintains its decision to seek a just political solution that will spare the Salvadoran people loss of life, destruction, and suffering. The FMLN-FDR is a genuine, strong revolutionary Army and a great patriotic movement of the Salvadoran people.

It is impossible to hide our advances despite the fact that the Yankees and the subservient puppet Army and regime continue their ridiculous propaganda that calls us "terrorist groups." The FMLN-FDR will continue its invincible advance toward victory because we are the Salvadoran people's force and we represent their unwavering decision to be free and sovereign. We are guiding and preparing them to resist and defeat the upcoming escalation of Yankee intervention.

United to fight until the final victory! Revolution or death! We shall win!

FMLN General Command: Commanders Leonel Gonzalez, Schafick Jorge Handal, Roberto Roca, Ferman Cienfuegos, Joaquin Villalobos.

Communique Recounts Actions

PA302257 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 1230 GMT 30 Jun 84

[FMLN General Command Communique issued on 29 June; place not given]

[Text] Duarte Tries To Create Victories by Using a String of Lies

In statements to local and foreign press on 28 June in regard to the occupation of the Cerron Grande Dam installations, Duarte said that the Cerron Grande engine room was not destroyed by the FMLN because of the bold reaction of the Armed Forces, which in only 2 hours occupied the installations. Such a statement can come only from Duarte's disturbed mind, because if the facts are examined such a statement makes no sense and lacks logic. Let us summarize the developments:

1. At 0200 hours on 28 June, the enemy positions at the dam were subjected to a staggering artillery attack that destroyed the enemy units defending the dam and completely annihilated the military command.

2. At 0230 the FMLN infantry units entered the installations of the dam, meeting only isolated resistance by an enemy which had lost its communications and command.

3. By 0530 our military units had full control of the installations.

4. The enemy reinforcements deployed by the No 2 Detachment in Sensuntepeque were ambushed and annihilated near San Isidro on the road to Sensuntepeque.

5. The Belloso Battalion troops landed in Ilobasco but were unable to advance toward the dam. They were ambushed and disbanded on the road between Ilobasco and Cojutepeque.

6. Troops traveling from Cojutepeque to Ilobasco were also ambushed, as were the 5th Infantry Brigade reinforcements traveling to San Rafael on the Pan-American Highway.

7. Between 0530 and 1000 our units totally controlled the installations of the dam. Once their objective was achieved -- annihilatting the enemy battalion and recovering their weapons -- this General Command ordered the withdrawal of our forces.

8. Paratroopers retook the dam at 1200, 2 hours after our forces had withdrawn.

All the above demonstrates that we had the time, material means, and more than enough human resources to turn the Cerron Grande engine room into scrap metal.

In conclusion, the FMLN states that it did not destroy the Cerron Grande engine room because this was not our goal. Our goal was to annihilate the reinforced battalion and recover all their weapons, and this was fully accomplished.

Duarte, his high command, and the Armed Forces Press Committee are forced to continue making themselves ridiculous with their lies because they have achieved no victories and will have no victories.

United to fight until final victory, revolution or death, we shall win!

Venceremos Gives Further Details

PA020321 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 1 Jul 84

[Text] The visit by U.S. General Paul Gorman, chief of the U.S. Southern Command, again shows Duarte's submissiveness. The U.S. military chief has come to make Vides Casanova and the bunch of inept officers of the high command listen.

In the development of our military campaign, after 48 hours of combat, we have seized from the dictatorship over 200 U.S. M-16 rifles with approximately 40,000 rounds and 1 120-mm and 1 60-mm mortars. We also seized 56 rockets, 2 M-79 grenade-launchers with 41 grenades, and 1 90-mm cannon with 14 loads, all of which we shall turn against Vides Casanova and his puppet Army. We also recovered 4 PRC-77 military radios. Our forces have captured 96 prisoners so far, including noncommissioned officers and troops, 25 of whom had been wounded and were released to receive medical attention. The enemy casualties so far amount to over 500, dead and wounded, including Captain Ricardo Alberto Chavez Carreno, 2 cadet lieutenants, and a sergeant.

At Cerron Grande, after annihilating a battalion of the dictatorship and seizing its weapons, our forces sabotaged 59 large transformers, 1 fuel substation, 1 energy substation, and destroyed the Cerron Grande powder magazine and the enemy command post.

Meanwhile, Ronald Reagan continues sending weapons to the dictatorship. His warships and planes bring cannons, ammunition, and rifles, but our people either seize them or destroy them.

Additional information on Cerron Grande reveals that during the occupation of the dam our rebel forces destroyed 4 120-mm mortars, and 1 105-mm cannon. We also destroyed eight military transport vehicles. Our forces also destroyed important artillery pieces, which will never again launch their murderous missiles over Salvadoran fields.

Aside from the thousands of dollars in military equipment lost, after the Cerron Grande sabotage action the dictatorship will be forced to use fuel power plants for more than 1 month. This means that the dictatorship will have to spend 10 million colones, which thus will not be used to support that Army of pillage and terror, 10 million colones which the dictatorship will not be able to use in its campaign of repression, death, and terror in the Salvadoran fields.

FARABUNDO MARTI REPORTS AMBUSH IN SAN VICENTE

PA300417 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0100 GMT 30 Jun 84

[Text] This is information we have just received from San Vicente. Attention, Salvadoran people, we are repeating this information.

In the area of the San Pedro Hills, San Vicente Department, our revolutionary units comprising the (Ernesto Morales Sandoval) and Rafael Aguinada Carranza Battalions successfully ambushed a Canas Battalion company, a Cazadores Battalion of the 5th Infantry Brigade of San Vicente. As a result of this successful ambush, we have learned that a whole section was annihilated and the other sections that comprise the company fled. Our companeros at the Anastasio Aquino Paracentral Front have reported that as a result of this successful ambush we recovered 11 M-16 rifles. We will repeat this information; we have recovered 15 [as heard] M-16 rifles, 15 M-16 rifles that Ronald Reagan is uselessly sending to the demoralized troops of the dictatorship; 15 M-16 rifles and 11 prisoners.

Attention, Salvadoran people, attention. At this moment we are receiving some last-minute news on the fighting that took place this morning north of the San Vicente Department. Attention.

The number of M-16 rifles recovered from the Canas Battalion, of the 5th Infantry Brigade of San Vicente, this morning has risen to 21 M-16 rifles. Attention, 21 M-16 rifles were recovered in this morning's combat north of San Vicente Department where fighting between our revolutionary troops and the enemy troops continues as of our "Long Live the Workers' Heroic Struggle -- Let Us Defeat Duarte's Capitulation" strategic military maneuver.

VENCEREMOS: ARMY SUFFERS 850 CASUALTIES IN 1 MONTH

PA301858 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 30 Jun 84

[Excerpt] The FMLN has inflicted 850 asualties on the dictatorship's Army in 1 month. At the beginning of a new military campaign with the seizure of the Cerron Grande Dam and ambushes of enemy reinforcements, we inflicted more than 500 casualties on the puppet Army and seized more than 200 weapons. Prior to this, we inflicted 350 casualties on the enemy in eastern El Salvador during the past 4 weeks.

These are devastating blows to an Army facing constant defeats. In 1 month we inflicted 850 casualties on an Army being defeated. These 850 casualties are numerically equivalent to a special battalion. Who has the initiative in El Salvador?

In any war, the military initiative is held by those who are able to constantly wear out the enemy economically and morally, by those who annihilate entire units, seize weapons, and captures war prisoners. In its propaganda the dictatorship is constantly showing the swearing in of new troops. This is nothing more than the replacement of the many casualties and huge desertions it has suffered, and the thousands of soldiers who never return to the Army once their forced military service is over.

GUATEMALA

REPORTAGE ON CONSTITUENT ASSEMBLY ELECTIONS

Voter Turnout

PA020145 Madrid EFE in Spanish 0120 GMT 2 Jul 84

[Text] Guatemala City, 1 Jul (EFE) -- With the participation of approximately 75 percent of the voters, the polls closed tonight in Guatemala after 12 hours of voting to elect a constituent assembly. The 4,090 polls, distributed in 22 departments, closed at 1900 (0100 GMT Monday). The Supreme Electoral Tribunal reported that, according to estimates, 75 percent of the voters went to the polls which, it added, is "a success."

Mejia Remarks

PA012138 Panama City ACAN in Spanish 2024 GMT 1 Jul 84

[Text] Guatemala City, 1 Jul (ACAN-EFE) -- Guatemalan Head of State General Oscar Mejia Victores this afternoon again warned that the next national constituent assembly, being elected today, cannot deviate from the framework established in the convocation by the military regime. Gen Mejia Victores explained that his government had called these elections to establish the national constituent assembly that will draft four specific laws: the constitution, the electoral law, the law of habeas corpus, and the law of appeal.

The head of state added that if the constituent assembly should want to deviate from this framework and appoint a provisional president he would have to see that the "law is obeyed." "We are a de facto government, and, as such, we are a government of force. We are not going to premit things to get out of control," Mejia Victores explained, noting that his previous warnings were intended as a reminder of this.

He reaffirmed that he is not interested in becoming a provisional president or a candidate for the presidency in future elections and reiterated that once this process is over and a president is elected, he will step down from power.

After a tour of the capital and several departments of the country, the head of state said that voting had proceeded in complete calm, that the trust the Guatemalans had placed in the Supreme Electoral Tribunal (TSE) had been well founded. Mejia Victores said he expects the current democratic process to be completed in less than 1 year. "If everyone works conscientiously" -- Mejia explained -- "without deviating from the legal framework, if the proper laws are enacted, we could have a constitution by the end of this year. With that, we can call general elections."

Meanwhile, the military ruler said that the government had stayed away from politics, rejecting the possibility of a future official party or candidate so that electoral purity and neutrality could be maintained.

"While I am in power, I guarantee that there will be no official political party or candidate," Mejia told the "Here Is The World" television newscast.

HONDURAS

FOREIGN SECRETARY CRITICIZES NICARAGUAN PROTEST NOTE

PA291444 Tegucigalpa Domestic Service in Spanish 1130 GMT 29 Jun 84

[Text] [In progress]...the Government of Nicaragua, according to which three cotton harvesters, of the six being transported on three trucks from Honduras, exploded when they were in Nicaraguan territory, and that Sandinist Pecple's Army [EPS] sappers were able to deactivate three other explosive devices placed in the other agricultural machines.

The letter sent by Foreign Secretary Edgardo Paz Barnica to Nicaraguan Acting Foreign Minister Mrs Nora Astorga states: [Words indistinct] and the terms in which it has been drafted, I believe it suitable to point out some elemental facts that the Nicaraguan Government intentionally omitted with the deliberate objective of harming my country.

Everyone knows that Honduras neither produces nor exports heavy agricultural machines, which means that these trucks were coming from a third country, and that they were in transit through Honduran national territory.

Under these circumstances, it is rash to say without evidence that the explosives were placed at the La Fraternidad border post. They could have been placed in the country of origin or in any of the countries the machines went through, or even in Nicaragua.

The Honduran response to the Nicaraguan charges and protest concludes by stating: We find it surprising that Your Excellency is asking the Honduran Government to redouble its vigilance and watch over its national territory, since the Honduran Armed Forces have effective control of the territory.

My country has not propitiated a climate of tension and instead has demonstrated on repeated occasions that it seeks normal relations with Nicaragua in a framework of mutual respect. The unfounded charges included in the Nicaraguan note do not contribute to this goal.

Tegucigalpa, 28 June 1984; Office of the Information and News Director; Office of the Foreign Affairs Secretary.

DEFENSE MINISTER ON COUP RUMORS, AID FOR CONTRAS

PA302204 Tegucigalpa LA TRIBUNA in Spanish 28 Jun 84 p 3

[Report by Danilo A. Antunez]

[Text] Defense and Public Security Minister Colonel Amilcar Castillo Suazo asserted yesterday that the Honduran Armed Forces "will never again stage a coup or act against the Constitution and the democratic institutions." The high-ranking military man said that the recent rumors that some Army officials were preparing a coup are groundless speculations. According to him, the military institution is firmly united. "Those of us in the Armed Forces are subordinate [subordinados] officers, and we must obey the instructions of the military high command. We respect the current constitutional government and will respect the next constitutional government, elected by the people through their votes," he stressed. According to him, the Armed Forces are a part of the government, but politically speaking they have no role, being instead completely dedicated to fulfilling what is established in the Constitution, as well as their own laws.

He also rejected the charge that the Armed Forces were incapable of ruling the country and had left it bankrupt. "Many things are said in that regard in an effort to upset the institution and give it a bad image," he said.

Moreover, he said that Central America has been turned into a battlefield by both the United States and the Soviet Union. "The two superpowers have influence over this region. This cannot be denied," he asserted.

As for the presence in Honduran territory of "counterrevolutionaries" fighting to overthrow the Sandinist government, Col Castillo Suazo said that the contras have neither bases nor training areas in Honduras. "They have the support of other countries and of the CIA, but Honduras is not the center of operations for supplying aid to the anti-Sandinists," he said.

IPS: APROH SUSPECTED OF COUP INTENTIONS

WA021220 Rome IPS in English 20 Jun 84

[By Manuel Torres]

[Text] Tegucigalpa, June 20 (IPS) -- If Honduran President Roberto Suazo Cordova, who took office in January 1982, manages to complete his term, he will be the first civilian head of state to do so in Honduras since 1949.

The Honduran Armed Forces have seized the government reins from every civilian leader in the last 35 years, and fears are now emerging that the current president will meet the same fate. But this time the suspicions are focused on a civilian group, the Association for Honduran Progress (APROH), a right-wing organization of businessmen, politicians, and other figures united by their staunch anticommunism.

APROH has become so controversial that the powerful General Workers' Confederation (CGT), linked to the Christian Democratic Party, asked Suazo Cordova June 18 to annul the association's legal status.

APROH was created in mid-1981 by Miguel Facusse, a powerful Honduran businessman. The association has tight links with the main spheres of power in Honduras, and has been described in Honduran press reports as this country's version of the notorious "P-2" in Italy.

The association became a legal entity on Jan. 10, 1983, winning support from Suazo Cordova, who termed it "a very creative innovation" because it grouped leading Honduran figues from different sectors. APROH developed rapidly under the tutelage of former Honduran Armed Forces Commander Gustavo Alvarez, a 45-year-old general who was a firm ally of Washington and strengthened the Honduran military considerably with massive U.S. funding. Alvarez was a hardline opponent of the Sandinista government in Nicaragua, Honduras' southern neighbor, and was intent upon establishing a national security doctrine as the main determinant of government policy. But his plans were cut short when a group of younger military officers told Suazo Cordova that they would stage an uprising unless Alvarez, who they said was corrupt and dictatorial, was replaced. Alvarez was ousted on Mar. 31 and left the country for Miami, handing over APROH's direction to Facusse.

In its statutes, APROH is defined as a "civilian association, nonprofit, apolitical and with its own legal status." But many critics charge that APROH is indeed political, and that the main goal of the association's members is to install a conservative government along the lines of the military junta which ruled Argentina until last year. Alvarez received most of his military training in Argentina.

Administration officials who asked to remain nameless said they are certain that APROH has laid out a plan to destabilize Suazo Cordova's government and open the doors for Alvarez's return to the country to head a civilian-military junta. These officials' suspicions gained force when the rightist Honduran Workers' Confederation (CTH) called a general strike which was to begin today. The CTH cancelled the strike early today when Suazo Cordova agreed to modify a recent controversial tax package.

The main leaders of the CTH, headed by Andres Victor Artiles, are members of APROH, but they denied charges that their strike call was part of a strategy to undermine the government. Artiles termed those charges "vile slander" and said the only aim of (the CTH's) proposal is to get the government to eliminate a series of recently imposed taxes suggested by the International Monetary Fund." His denials did not allay the suspicions of some of APROH's critics, however.

Political leaders such as Miguel Funes Padilla of the conservative National Party said they are still certain that APROH wants to take over the government.

"APROH has not been of any benefit to this country," Funes Padilla said, "and in fact has committed the monumental error of trying to control political organizations and cooperatives and their leaders and political tendencies, and each group's relative importance." LA TRIBUNA, one of Honduras' most influential dailies, published an APROH document which indicated that the right-wing organization planned to invest $30,000 to take control of Honduras' largest farmworkers' organization.

The opposition to APROH has increased in the last two months, with trade union and teachers' organizations charging that their members have been victims of APROH persecution. In general, APROH has remained close-mouthed in the face of the accusations, but businessman Mario Belot, one of the most influential figures in APROH, denied that the association is conspiring against the government. "APROH has not discussed anything on this matter," he said, "and our organization's main interest is in contributing to stimulating the production structure." His assertion has not dispelled critics' doubts. The CGT, in its petition to the president June 18, charged that APROH has only "deepened the crisis" in Honduran politics and economics and "has created greater confusion in the people."

COMMENTATOR ASSAILS 'ONEROUS' DEBT INTEREST

PA291236 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 28 Jun 84

[Commentary by Andres Torres]

[Excerpts] While Honduras is in the middle of the worst economic crisis in its history and its people are struggling for survival, countries that pose as our friends are trying to destabilize our meager economy with onerous interest on the foreign debt, which is already wearing everyone's patience thin.

We cannot prevent our temper from rebelling against the IMF. We cannot hide the anger in our minds because of the increases in the interest rates by U.S. banks, nor can we dismiss our anger over commercial trade between our country and developed countries in terms of trade balance.

We do not know where those who pose as our friends want to take us. They even think of us as their unconditional allies. But the truth is that they are testing the people's patience and wearing thin the good will of those who have always endured injustices.

Honduras has already been hit by unemployment, relentless inflation, extreme poverty, and conditions bordering on famine. It is a matter of concern for us that we are now pressured by international economic factors because, as a simple remedy, the government decrees more taxes. And to tell the truth we Hondurans don't want to speak of -- let alone listen to -- tax burdens.

Apparently, we Hondurans were born to permanently imitate an ostrich because those who lead us prefer to bury their heads in the sand rather than shout our misery to the world.

We feel ashamed to ask for anything, as if we were rich, and yet we give all, including our sovereignty, without any conditions.

NICARAGUA

DANIEL ORTEGA CONCLUDES EAST EUROPE TOUR, RETURNS

Telephones Jackson From Moscow

PA291835 Managua Sistema Sandinista Television in Spanish 0200 GMT 29 Jun 84

[Text] This morning Nicaraguan junta Coordinator Daniel Ortega Saavedra spoke via telephone from Moscow with Rev Jesse Jackson, U.S. Democratic Party candidate, who left Nicaragua several hours ago.

Commander Ortega spoke with Jackson for a few minutes, during which they discussed the Central American problem and other international issues.

The telephone conversation between the Nicaraguan junta coodinator and the Democratic candidate took place as Jackson was having breakfast at Government House with junta member Sergio Ramirez Mercado and Defense Minister Commander Humberto Ortega.

Arrival Press Conference

PA302147 Managua Domestic Service in Spanish 2009 GMT 30 Jun 84

[Commander Daniel Ortega, coordinator of the Nicaraguan Government Junta, press conference with unidentified reporters at Augusto Cesar Sandino Airport in Managua on his return from a tour of socialist countries -- live]

[Excerpts] [Ortega] We wish to extend a warm embrace to all Nicaraguans on our return to Nicaragua. Within the policy that the revolution has pursued since its victory on 19 July, the policy of maintaining relations with all countries, our relationship with the socialist community is of special importance to us, to Nicaragua, given the respectful and unconditional cooperation that the socialist community has extended to the Nicaraguan people.

We can assure the Nicaraguan people that in our meetings with the leaders of the countries we visited, they reiterated their solidarity with the Nicaraguan people, their condemnation of the policy of aggression to which the Nicaraguan people are being subjected by the United States, and their support for the people's efforts to defend the revolution in all areas.

[Question] Commander, General Paul Gorman [commander in chief of the U.S. Southern Command] held a press conference in El Salvador at which he accused Nicaragua of involvement in subversion there. Last night President Reagan again said that he will definitely request $21 million to support the counterrevolutionary groups. How is this compatible with the talks between Nicaragua and the U.S. Administration?

[Ortega] First of all, we have to say that the United States is the primary subverter of order and peace in the world because of its aggressive policy. Moreover, we can say that this U.S. Administration has inherited the fascism that bloodied the world 40 years ago. Nicaragua is a victim of this policy. Nevtherless, Nicaragua has maintained that a solution to the problems of the Central American region must be found through dialogue and negotiation. We insist that the main disruptive factor here is the U.S. Government.

[Question] Commander, on Friday Gen Gorman, chief of the Southern Command, made certain statements or charges implicating high-ranking Sandinist government officials in drug trafficking, allegedly to finance defense against the counterrevolution. He did not mention sources or names, but said that he will elaborate next week. What is the government's opinion of these statements or charges?

[Ortega] It is not the first time that the United States has resorted to defamatory campaigns of this type against governments and peoples who do not submit to its policy of domination.

As for the talks in Mexico, we would like to conclude this conference by releasing the following communique issued by the Junta of the Government of National Reconstruction.

The Junta of the Government of National Reconstruction addresses the Nicaraguan people and the world to say:

The Nicaraguan Government has made continuous efforts to achieve peace and stability in the Central American region and for an end to the state of military, political, and economic aggression against our homeland by the U.S. Government.

In this sense, we have participated with a positive spirit in the negotiations held by the Contadora Group; we have sought ways to establish communication and to resolve conflicts with the Costa Rican Government; and we have proposed similar mechanisms to the Honduran Government. With this same spirit we received U.S. Secretary of State George Shultz, and we recently agreed to participate in a first round of talks with representatives of the U.S. Government in Manzanillo, Mexico, on 25 and 26 June.

We have expanded these efforts for peace to the world level with visits to the countries that form the socialist community and various West European countries. On both occasions we explained our positions broadly and found support for our peace efforts. These same positions were explained to Rev Jesse Jackson, U.S. Democratic Party presidential candidate, during his recent visit to Managua. During his visit we found points of agreement that also strengthen the Nicaraguan peace position.

However, we must clearly and firmly state that during the first round of talks held in Manzanillo we found that the U.S. Government's aggressive stance has not changed; it has undergone no type of change. Its involvement in the aggression and its military and logistical support for the Somozist counterrevolutionaries continue without interruption, despite the fact that it was not able to obtain approval for more financial aid from its legislative branch. In a new act of provocation they have announced new and larger maneuvers in Honduras in August with the participation of U.S. troops; and the CIA's terrorist and destabilization activities against our country continue. All this continues despite the fact that the International Court of Justice in The Hague, the highest court in the world, has ordered the United States to stop all acts of aggression against Nicaragua. That government has ignored this order in open defiance of the court. Despite all this, Nicaragua once again reiterates the need for a bilateral and constructive dialogue with the U.S. Government as a means of reaching serious negotiations that will contribute to normalizing the relations between the two countries based on mutual respect, sovereignty, and self-determination.

In this spirit we attended the Manzanillo meeting. During this first round of talks we discussed the procedural aspects that could serve as a guide for the discussions. These procedural aspects are yet to be agreed on. We therefore deem it necessary to strongly reject a report released by UPI on 27 June, datelined Manzanillo, that, in an attempt to confuse the people of the world as to the results of the first round of talks, fabricated statements by Companero Victor Tinoco, who headed the Nicaraguan delegation, on alleged advances in the talks. This information was also rebroadcast by the VOA, an official voice of the U.S. Government.

All this leads us to conclude that one of the main objectives that the U.S. Administration seems to pursue with this process of talks is to project a peaceful image in the face of those within the United States who aspire for office in the elections and who truly want peace in Central America, while in practice they increase their aggressions against Nicaragua.

The Nicaraguan Government reiterates its willingness to continue participating in these talks, hoping to find a spirit of seriousness on the part of the U.S. Government, to be demonstrated not only with the talks but with an end to its attitude against the territorial integrity and interests of Nicaragua as a sovereign country.

[Signed] Junta of the Government of National Reconstruction, Managua, 30 June 1984

RAMIREZ ON FURTHER U.S. TALKS, JACKSON MEETING

PA291502 Managua Radio Sandino Network in Spanish 1200 GMT 29 Jun 84

[Text] Nicaragua will never be the country to deal the first blow in a war with another Central American country, said government junta member Sergio Ramirez Mercado.

At a news conference held jointly with Humberto Ortega, commander in chief of the Sandinist People's Army, and Rev Jesse Jackson, Sergio said that the Nicaraguan Government wants to continue talks with the United States to seek the right framework for negotiations that lead to serious and responsible results.

Within the framework of the talks with Jackson, a candidate for the U.S. Democratic Party's nomination, Ramirez described these talks as fruitful and very positive. The Sandinist leaders found Jackson very understanding with regard to the problems Nicaragua is facing as a result of foreign aggression. The Junta of the Government of National Reconstruction also intends to hold meetings between the Catholic and Protestant Churches to contribute to the process of national unity and peace.

Within the continuity of the electoral process, the government will guarantee the participation of the political parties, as well as its willingness to restore the country's institutional normalcy amid an emergency situation which does not depend on a decree but on a war declared against Nicaragua. This has been another revolutionary statement.

DEPUTY FOREIGN MINISTER RETURNS FROM MANZANILLO

PA291946 Managua Domestic Service in Spanish 0300 GMT 29 Jun 84

[Text] Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco today returned from Manzanillo, a Mexican resort, where he held 2 days of talks with Harry Shlaudeman, the U.S. special envoy for Central America. Tinoco returned to Managua a few hours after junta member Sergio Ramirez Mercado denied that Tinoco had made statements in regard to the dialogue with Shlaudeman. The Nicaraguan deputy foreign minister was appointed by the Nicaraguan revolutionary government as its representative to hold talks with the Reagan administration's envoy.

On 1 June, U.S. Secretary of State George Shultz met with Daniel Ortega, coordinator of the Junta of the Government of National Reconstruction, for 2 hours here with an apparent interest in improving relations with Nicaragua.

According to press reports from Manzanillo, Tinoco had said that several agreements had been reached during the 2 days of dialogue. In this regard, Ramirez Mercado said that Tinoco had not made any statements, and that these were false reports.

So far, neither the Nicaraguan Government junta nor Washington has issued any reports on the agenda of the talks described by political sectors as important for detente in Central America and for improved relations between the United States and Nicaragua.

This dialogue is a Contadora Group effort, and it is the first one between the two governments since 1981, when Ronald Reagan became President.

ARCE FINDS 'UNDERSTANDING' IN EUROPE, HOPES FOR AID

PA292337 Managua Radio Sandino in Spanish 1830 GMT 29 Jun 84

[Text] Rome -- Commander Bayardo Arce Castano, coordinator of the Nicaraguan FSLN's Political Committee, asserted today in Rome that he had found understanding of the Nicaraguan situation in several European nations. During a press conference shortly before meeting with Italian Prime Minister Bettino Craxi, Arce said that now that he has completed his tour throughout Western Europe, he hopes that Nicaragua will be able to receive specific aid in order to overcome the difficult situation it is now experiencing as a result of U.S. aggressions. Commander Arce said that he and the other members of his delegation met with the Portuguese, Spanish, French, Finnish, Swedish, and Greek heads of government, as well as with political leaders in the United Kingdom and the FRG, all of whom expressed sympathy with the problems he presented.

Arce also said that the Central American situation had been discussed in those meetings, saying: We expressed our opinion on the U.S. stance and explained the steps taken by Nicaragua for a regional peace and to face the U.S. aggression, as well as our efforts for our country's first free elections. Commander Arce also said that the situation in this area is very complex and that Nicaragua is seeking a direct understanding with the United States. Nicaragua supports the Contadora Group efforts while it must face the mercenaries' military offensive, which is supported by the U.S. Government.

CUADRA CHARGES U.S. WITH PUERTO SANDINO EXPLOSION

PA011515 Managua Radio Sandino in Spanish 1300 GMT 1 Jul 84

[Text] Guerrilla and Brigade Commander Joaquin Cuadra, deputy defense minister and chief of staff of the Sandinist People's Army, has denounced the explosion of a mine yesterday morning at 0700 in the port of Puerto Sandino. He made the charge during a political event commemorating the tactical withdrawal to Masaya which began at the Eduardo Contreras community complex where thousands of Nicaraguans marched to pay tribute to the heroic insurrectional event carried out by Nicaraguans against the Somoza dictatorship. Here is what Guerrilla and Brigade Commander Joaquin Cuadra said:

[Begin Cuadra recording] During these 5 years, our people led by their vanguard, have been able to clearly identify their enemies and friends at all times. We know that there cannot be any organization or force capable of deceiving our people. Our people know how to perceive, support, and applaud, as they have until today, the international efforts by our government and revolution seeking to win friends in order not to be isolated -- political efforts carried out in a mature manner to begin conversations with the United States.

We know that our peoples are not harboring illusions. They will not cease -- even for a moment -- to prepare to repel the aggression we are experiencing. They will not cease to keep watch on all streets and in all the neighborhoods for a single minute. We are not going to lose a single opportunity to deal blows at the counterrevolutionaries because U.S. policy toward the revolution is so deceitful, false, and (?dishonest). The first talks where the United States supposedly demonstrated a will to speak with the Sandinist revolution had practically just concluded when today, in the port of Puerto Sandino, another mine placed by the aggressive policy of U.S. imperialism exploded at 0700. These are the signals of imperialism. This is the policy of imperialism.

They appear again with attempts to pressure the revolution and blackmail us by placing mines in our principal ports. Tell me, will the policy of the United States, of imperialism, of its internal reactionary spokesmen be capable of deceiving our people? [shouts of "no!"] [end recording]

ARDE DIRECTORATE COMMUNIQUE DENIES FRS EXPULSION

PA020032 (Clandestine) Voice of Sandino in Spanish to Nicaragua 2300 GMT 30 Jun 84

[Democratic Revolutionary Alliance, ARDE, Revolutionary Directorate communique issued on 28 June in Washington]

[Text] The undersigned leaders of the Miskito, Sumu, Rama, Sandinist Unity-Southern Indigenous Creole Communities, MISURASATA-SICC; of the Sandino Revolutionary Front, FRS; the Christian Democratic Solidarity Front, FSDC; and the Christian Workers Solidarity, STC, all members of the Democratic Revolutionary Alliance, ARDE, report to the Nicaraguan people and the world that:

1. The alleged expulsion of the FRS from ARDE was an illegal, arbitrary, and divisionist maneuver of two organizations that up to now have been members of ARDE. Therefore, the FRS continues and will continue as a member of our alliance.

2. The FRS is represented in our struggle by an armed force of 8,000 workers, peasants, and former members of the Sandinist People's Army [EPS] and the Sandinist People's Militias who, together with the Miskito, Sumu, Rama and Creole Indians, constitute the central column of ARDE's army in the struggle to rescue of the Nicaraguan revolution.

3. The alleged expulsion of the FRS was an abortive, divisionist action intended to undermine our people's true liberation process and hit ARDE's revolutionary program below the belt. The divisionist groups are henceforth not participating in our original program.

4. This new maneuver is part of the extremist political groups' objective of annihilating our historical, political, and revolutionary efforts. They have resorted to terrorist actions, such as the attempt on thie life of Commander Eden Pastora on 30 May.

5. We reiterate our adherence to the principles established in ARDE's program. We want to remind the organizations that tried to expel the FRS that the enemies are not the members of ARDE but the totalitarian Marxist-communists oppressing the people and the sectors trying to restore the past in Nicaragua.

Without totalitarianism or a return to the past.

Democratic Revolutionary Alliance, ARDE

Washington, 28 June 1984

[Signed] Brooklyn Rivera, MISURASATA-SICC; Jose Davila, FSDC; Eden Pastora, FRS; and Donald Castillo, STC.

FURTHER REPORTAGE ON JACKSON TRIP TO NICARAGUA

Jackson on U.S. Role

PA291832 Havana International Service in Spanish 1600 GMT 28 Jun 84

[Text] Jesse Jackson, the U.S. Democratic presidential candidate, has declared in Managua that the United States has no right whatsoever to mine Nicaragua's ports or to try to overthrow the Sandinist government.

During a ceremony at the Nicaraguan Interior Ministry, Jackson said that his country must respect the territorial integrity of other nations in the world, and stressed that Washington faces either negotiations or confrontation.

Our mission in Central America must be propelled by a moral impetus to force a reduction in military spending and to use resources to stamp out poverty, ignorance, and disease, the North American minister said. Jackson condemned the alarming expansion of the arms race and called for efforts to save humankind.

For his part, Nicaraguan Interior Minister Tomas Borge said that the Nicaraguan people are firm advocates of peace and uncompromising defenders of their national dignity. Borge stated that North American soldiers and terrorists have arrived in Central America to kill and to violate cemeteries, women, and consciences. He added that he hopes the United States' true recovery will begin some day -- a moral recovery allowing it to send doctors, technicians, and teachers to the impoverished countries in the area. Jackson, who arrived in Nicaragua last night from Cuba for a 24-hour visit, received the keys to Managua from Samuel Santos, minister of the Managua Reconstruction Junta, and was declared a distinguished guest.

Additional Remarks

FL291418 Havana Domestic Service in Spanish 1045 GMT 29 Jun 84

[Text] Rev Jesse Jackson's trip to Central America and visit to Cuba have once again placed in the dock those who hypocritically speak of good will while taking up arms against our peoples.

In Nicaragua, the U.S. presidential candidate said that the United States has no right to mine the ports of this Central American country or to try to overthrow the Sandinist government. When he welcomed Jesse Jackson, Nicaraguan Interior Minister Commander Tomas Borge said that Nicaraguans are firm supporters of peace and intransigent defenders of their national dignity.

The following report on Rev Jakcson's activities during his 24-hour visit to Nicaragua comes to us via telephone directly from Dario Mejias in Managua:

[Mejias] The Democratic aspirant to the White House, Jesse Jackson, arrived in Managua on the final leg of a trip that took him to Panama, El Salvador, and Cuba to become acquainted with the aggravated situation in the region. The coordinator of the Junta of the Government of Natonal Reconstruction, Commander of the Revolution Daniel Ortega Saavedra, speaking via telephone from Prague, told the Voice of Nicaragua that we consider Jackson's visit to the Central American area to be very important, and that his policy in opposition to the Reagan administraton is very positive.

Rev Jackson was received by Dr Sergio Ramirez Mercado, member of the Junta of the Government of National Reconstruction; Carlos Nunez Tellez, Commander of the Revolution and President of the Council of State; and other officials of the revolutionary Nicaraguan state. When Sergio Ramirez Mercado greeted Jackson, he said:

[Begin Ramirez Mercado recording] The people of Nicaragua know that in Rev Jackson they have an ally in the cause of lasting peace, an end to all aggression against our country, and just stability in Central America. [end recording]

[Mejias] In his words of welcome, Ramirez Mercado, member of the Junta of the Government of National Reconstruction, spoke of Rev Jackson as an outstanding personality, and of the situation of armed aggression that Nicaragua is suffering at the hands of the Reagan administration, which is financing the Somozist counterrevolution. Later, Rev Jackson prayed for all the martyrs, all the Nicaraguan dead, killed by the imperialist aggressors using the Somozist counterrevolution.

Ramirez: Jackson Talks 'Fruitful'

PA291903 Havana International Service in Spanish 0000 GMT 29 Jun 84

[Text] Nicaraguan Junta member Sergio Ramirez Mercado described the talks held in Managua with U.S. Democratic presidential candidate Jesse Jackson as fruitful. Ramirez said that Jackson proved to have a good grasp of Nicaragua's problems.

During a press conference in which Nicaraguan Defense Minister Commander Humberto Ortega also participated, Ramirez Mercado said that church-state relations were discussed during the talks. Sergio Ramirez underlined the Sandinist government's willingness to hold meetings with Catholic and Protestant leaders in order to contribute to Nicaragua's unity and peace. The junta member also reiterated that the electoral process will continue into the 4 November elections and added that there have been no changes in regard to the election.

Concerning the U.S.-Nicaraguan talks, Ramirez Mercado denied allegations that Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco, Nicaragua's representative to the talks, had made a statement on the talks' alleged progress and stressed that any advance that might be achieved depends on respect for Nicaragua's sovereignty and territorial integrity.

Concluding, Ramirez described the proposal made by top Cuban leader Fidel Castro on improving relations with the United States as positive and also positively endorsed Jesse Jackson's proposal that a summit meeting of Latin American and Caribbean governments and legitimate political forces be held.

Daniel Ortega Comments

FL291602 Havana Domestic Service in Spanish 1105 GMT 29 Jun 84

[Text] Prague -- Commander Daniel Ortega Saavedra, coordinator of the Nicaraguan Government junta, has said that the visit to Central American and the Caribbean by Jesse Jackson -- aspiring U.S. Democratic presidential candidate -- indicates that large sectors of the American public are concerned about a peaceful solution to Central America's problems. Daniel Ortega made this statement to PRENSA LATINA in Prague on ending his tour through several European socialist countries. The Sandinist leader said that Jackson's statements, made during visits to Panama, El Salvador, Cuba, and Nicaragua, indicate that there exists an important sector of the population in the United States which hopes for a peaceful solution to Central America's problems and for dialogue, not for the show of force position which the Reagan administration has taken. After telling how U.S. political and military actions in Central America have destroyed the Contadora Group's peace efforts, Ortega said that the only thing Reagan has not done is to use U.S. troops.

Havana Cites U.S. Press

FL291655 Havana Television Service in Spanish 1105 GMT 29 Jun 84

[Text] Aspiring U.S. Democratic presidential candidate Jesse Jackson has ended a brief visit to Nicaragua, which Junta of the Government member Sergio Ramirez Mercado described as very positive.

Jackson worked intensively during his less than 24-hour stay which included meetings with government, political party, and religious leaders.

Meanwhile, THE NEW YORK TIMES newspaper gave front page coverage of Jesse Jackson's visit to Cuba. THE WALL STREET JOURNAL also covered Jackson's trip, as did THE NEW YORK TIMES, which tried to lessen the significance of statements made by Jesse Jackson and Cuban president of the Councils of State and Ministers Fidel Castro on bilateral relations and the Central American conflicts. Canadian newspapers also reflected the Reagan administration's aggressive reaction, which virulently attacked Cuba during Jackson's stay in Havana.

CASTRO SAYS JACKSON VISIT 'POSITIVE'

PA291957 Havana International Service in Spanish 1800 GMT 29 Jun 84

[Excerpts] President Fidel Castro has characterized as positive the visit made to Cuba by Rev Jesse Jackson, a U.S. Democratic presidential candidate, and criticized those trying to discredit the contact made between the peoples of Cuba and the United States.

After bidding farewell to the U.S. Protestant minister on his way to Washington after arriving from Managua, Fidel Castro told newsmen at Havana's Jose Marti International Airport that Jackson is one of the most courageous politicians the United States has ever had, a man of great courage, moral strength, and ability to express himself, a man of brilliant ideas.

The Cuban leader said that Jackson is, above anything else, a struggler for peace, civil rights, and friendship among peoples. Fidel Castro said that the most important thing in the world is peace. Fidel Castro insisted that in view of the tension and danger that prevails in the world, a situation that could result in a general disaster, there can be nothing better than the banner of peace that is being firmly and honestly raised by Rev Jackson.

The Cuban president reiterated that if the Democratic and Republican parties agree, and if this does not interfere with the U.S. election campaign, our country is prepared to discuss now, and not after November, as had been previously proposed, the subject of migration between the two countries, including the subject of the antisocial elements in an Atlanta prison.

Fidel Castro concluded by stating that Jackson's tour has strengthened the work of the Contadora Group and allowed Cuba to have direct contact with the North American people because Jesse Jackson was at the head of a very representative delegation. In my opinion, Fidel Castro said, that delegation represents the best of the U.S. people.